

# Promoting Agricultural Commercialization and Enterprises (PACE) Project

(IFAD Loan No. 2000000722, Grant no. 2000000835)

## Half Yearly Progress Report



July –December 2017



**Palli Karma-Sahayak Foundation (PKSF)**

**PKSF Bhaban**

Plot: E-4/B, Agargaon Administrative Area  
Sher-e-Bangla Nagar, Dhaka-1207, Bangladesh

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## 1. Introduction:

Palli Karma-Sahayak Foundation (PKSF) was established by the Government of Bangladesh in 1990, as an apex organization for poverty alleviation through employment creation. Since its inception, the PKSF has been implementing various programs and projects for poverty alleviation through its Partner Organizations (POs). PKSF has been providing financial and non-financial services to microentrepreneurs to run various enterprises since 2001.

PKSF has so far successfully implemented three projects financed by the International Fund for Agricultural Development (IFAD), namely: Microfinance and Technical Support (MFTS) Project (2003-2010), Microfinance for Marginal and Small Farmers (MFMSF) Project (2004-2010) and Finance for Enterprise Development and Employment Creation (FEDEC) Project (2007-2013). The main feature of these three projects was combining non financial technical supports with the financial services to expedite the poverty reduction process.

Based on the experiences of above-mentioned three projects, PKSF launched **Promoting Agricultural Commercialization and Enterprises (PACE) Project** in January 2015. The project is jointly financed by PKSF, IFAD and POs of PKSF. The financing agreement of the project was signed on 11<sup>th</sup> December 2014 between the Government of Bangladesh and the IFAD. Subsequently, PKSF signed a Subsidiary Loan and Grant Agreement (SLGA) with the Ministry of Finance on 18<sup>th</sup> January 2015.

Like other programs and projects of PKSF, all activities under the PACE project are being implemented across the country through its Partner Organizations (POs). Apart from providing financial services for microenterprises, the PACE is making sub-sector based value chain interventions and giving technological supports to various microenterprise activities. The project attempts transferring proven technologies from home and abroad to the potentials sub-sectors in Bangladesh for increasing their productivity.

The ongoing microenterprise program of PKSF called *Agrosor* Program is expanding very rapidly with the support of PACE project. The project is extending skill development training to the farmers and microentrepreneurs to enhance their efficiency in running their respective microenterprises. The members of existing microenterprise programs are receiving financial services and other technical and capacity building support with the project assistance. The target participants of the project include marginal and small farmers involved in field crops, horticulture, fisheries, livestock and non-farm producers of various sizes and professionals in service sectors. Both women and men are direct participants of this project but the most of the participants are women, as women represent 77.24% of the members of the *Agrosor* (microenterprise) program.

The duration of the PACE project is six years (January 2015 to December 2020) and it has completed its first three years of implementation on 31 December 2017. In this period, PACE made remarkable progress in implementing activities under its three components namely: i) financial services for microenterprises, ii) value chain development and iii) technology& product adaptation.

This progress report of the PACE project has been prepared to highlight the progress of the implementation of the project activities of the from July to December of the financial year 2017-18 and the cumulative achievement of the project up to December 2017.

## 2. Project description:

**2.1 Project Goal:** The project goal is to enhance livelihoods (higher income from self employment, business profit and wage employment and food security) of the moderate and extreme poor project participants (men and women) in a sustainable manner.

**2.2 Development Objective:** The development objective is to increase sales and incomes from existing and new micro-enterprises and to create new wage employment opportunities for extreme and moderate poor people.

**2.3 Project Components:** The project has three complementary components; 1) financial services for microenterprises, 2) value chain development, and 3) technology and product adaptation. In addition, project management is an additional activity to implement and coordinate all activities of the project.

**2.4 Project Cost:** The total project cost is USD 92.85 million. Component wise cost allocation is given below.

Financial services for Microenterprise	: USD 70.60 million
Value Chain Development	: USD 15.00 million
Technology & Product Adaptation	: USD 0.87 million
Project Management	: USD 6.38 million

.....  
Total USD92.85 million

**2.5 Project Financing:** The project is jointly financed by IFAD,PKSF, Korean grant and POs of PKSF. The breakdown of project financing is given below;

IFAD	USD 40.00 million
*Korean grant	USD 0.36 million
PKSF	USD 22.45 million
POs	USD 30.04 million

.....  
Total USD 92.85 million

\* The Korean grant fund is being used for establishing an e-knowledge window, strengthening results-based monitoring and providing micro-entrepreneurs access to e-market services for displaying and selling products of microenterprises.

## 2.6 Logical Framework of PACE project

Design Summary	Performance targets and indicators	Monitoring Mechanism & Information Sources	Assumptions
<p><b>Project Goal</b> Enhance livelihoods (higher income from self employment, business profit and wage employment, and food security) of the moderate and extreme poor project participants (men and women) in a sustainable manner.</p>	<ul style="list-style-type: none"> <li>• 60% households reporting improvements in household asset ownership index</li> <li>• 50% increase in income of 70% participating moderate and extreme poor households from farm, non-farm and service type businesses and wage employment</li> </ul>	<p>Impact surveys of households at baseline, mid-term and completion Qualitative (PRA) assessment of participating HHs and quantitative assessment (profitability analysis) of microenterprises</p>	<ul style="list-style-type: none"> <li>• Economy maintains or increases growth rates</li> <li>• Terms of trade for rural communities shall not deteriorate</li> <li>• Price inflation for staple food (rice) remains below 10%.</li> <li>• Rural and peri-urban infrastructure improves</li> <li>• Prolonged political unrest does not hinder business and other economic activities</li> </ul>
<p><b>Development objective</b> Improve profitable business opportunities for microentrepreneurs and create wage employment for extreme and moderate poor people.</p>	<ul style="list-style-type: none"> <li>• 70% microentrepreneurs increased sales by 50%</li> <li>• 13,000 fulltime equivalent wage employment created</li> </ul>	<p>PACE project annual assessment report on business expansion and employment creation impact assessments PRA assessments</p>	<ul style="list-style-type: none"> <li>• Government maintains pro-small business policies.</li> <li>• Government continues to support microfinance programs and NGO activities.</li> <li>• Prolonged political unrest does not adversely affect business and economic growth.</li> </ul>
<b>COMPONENT 1: Financial services for microenterprise</b>			
<p><b>Outcome 1:</b> Sustainable financial services for MEs (farm, off-farm, trading and service sectors) expanded.</p>	<ul style="list-style-type: none"> <li>• PKSF's portfolio in ME program increases at least by Taka 3,200 million.</li> <li>• POs' portfolio in ME loan program increases by Taka 5,600 million.</li> </ul>	<p>PKSF's program/financial reports POs program/financial reports PACE project report</p>	<ul style="list-style-type: none"> <li>• Demand for microenterprise loan grows</li> <li>• POs remain institutionally and financially viable and offer competitive loan products.</li> <li>• No major external shocks such as major spread of disease.</li> </ul>
<p><b>Outputs:</b></p> <ol style="list-style-type: none"> <li>1. Expansion of on-going loan program for MEs in all sectors</li> <li>2. Piloting of new loan products</li> <li>3. Capacity building of PKSF and POs</li> </ol>	<ul style="list-style-type: none"> <li>• Increase in number of ME borrowers by 102,000.</li> <li>• Cumulative loan disbursement to additional project borrowers Taka 61,200 million;</li> <li>• Number of new product piloted: 2-3;</li> <li>• 125 PKSF, 250 PO officers trained</li> </ul>	<p>Reports from PKSF and POs Project MIS Independent assessment of microenterprise loan program and performance of pilot products Training assessment report</p>	<ul style="list-style-type: none"> <li>• Portfolio quality of ME loan program of POs remains high (PAR &lt;5%)</li> <li>• Loan recovery rate of overall MF program and ME loan of POs remains high (&gt;95%)</li> <li>• HR capacity of POs for management of microfinance program enhanced</li> </ul>

Design Summary	Performance targets and indicators	Monitoring Mechanism & Information Sources	Assumptions
			<ul style="list-style-type: none"> <li>PKSF maintains its strong supervision of POs</li> </ul>
<b>COMPONENT 2: Value chain development</b>			
<p><b>Outcome 2:</b> Sustainable inclusion of MEs and businesses in value chains in agriculture, off-farm and service sectors to up-scale business, production technologies, and enhance access to markets.</p>	<ul style="list-style-type: none"> <li>Taka 9000 million increase in cumulative sales of participating businesses (farm and non-farm sectors) in value chains</li> <li>50% of microenterprises (out of 300,000 beneficiaries of value chain subprojects) operating 3 years after the support received from the project</li> </ul>	<p>Impact assessment of value chains Project reports and MIS impact assessment Case studies</p>	<ul style="list-style-type: none"> <li>PKSF and POs remain committed to facilitating non-financial services along with providing financial services program to MEs</li> <li>PKSF and POs successfully establish collaborative business arrangements between MEs and mainstream businesses.</li> <li>No major external shocks such as disease</li> </ul>
<p><b>Outputs:</b></p> <ol style="list-style-type: none"> <li>MEs and agri-businesses sustainably included in agricultural value chains in various parts of the country</li> <li>MEs sustainably included in value chain for non-farm manufacturing, processing and service products or group of products</li> <li>Capacity of PKSF and POs enhanced to formulate and manage large scale value chain sub-projects and identify opportunities</li> </ol>	<ul style="list-style-type: none"> <li>10,000 acres of additional land brought under production of selected VCs, 50% increase in poultry birds and livestock</li> <li>VC development activities in 15 agricultural and non-farm subsectors</li> <li>5,000 agricultural and 2,500 non-farm MEs linked with larger firms as suppliers and contract growers</li> <li>200,000 agricultural and 50,000 non-farm microentrepreneurs trained</li> <li>200,000 MEs adopted new technologies</li> <li>10,000 Local service providers (farm and non-farm sectors) strengthened in each selected VC</li> <li>50 PKSF/GoB and 200 POs officials trained on VC project design and management</li> <li>80 PKSF/PO officials are trained on preventing environmental degradation</li> </ul>	<p>Impact assessment of value chains Project reports and MIS Case studies</p>	<ul style="list-style-type: none"> <li>PKSF establishes separate non-financial services division with competent human resources</li> <li>PKSF enhances overall capacity to manage value chain projects, supervise POs in these areas</li> <li>PKSF recruits adequate officers</li> <li>POs establishes separate non-financial services units and enhances capacity to manage value chain projects</li> <li>Facilitation of non-financial services become mainstream services of POs</li> <li>Private business companies are interested in sourcing products from microenterprises and willing to engage in partnership in the selected value chains</li> </ul>

Design Summary	Performance targets and indicators	Monitoring Mechanism & Information Sources	Assumptions
<p>for partnership with the private business sector for microenterprises</p> <p>4. Capacity of PKSf, POs and microenterprises to identify, advocate and strengthen pro-poor business policies, especially sector specific policies, enhanced</p> <p>5. E-knowledge window, strengthening results-based monitoring and providing micro-entrepreneurs access to e-market services</p>	<p>and improving conditions in work place</p> <ul style="list-style-type: none"> <li>• 5 policy papers written and submitted and 5 dialogue activities held</li> <li>• 100 PKSf, GOB and POs officials trained on business/sector policy analysis and advocacy</li> <li>• An e-knowledge window established. Microentrepreneurs have access to e-market services</li> </ul>		
<b>COMPONENT 3: Technology and product adaptation</b>			
<p><b>Outcome 3:</b> Proven technologies and products introduced to MEs.</p>	<p>10 technologies and products successfully introduced to small producers</p>	<p>Independent assessment reports PACE reports</p>	<p>PKSF and POs successfully identify technologies and products for small producers within value chain sub-projects and outside</p>
<p><b>Outputs:</b></p> <ol style="list-style-type: none"> <li>1. Resolution of technological problems identified under Component 2</li> <li>2. Adaptation and dissemination of readily available technologies and products</li> <li>3. TA and studies</li> </ol>	<ul style="list-style-type: none"> <li>• 50,000 MEs/farmers are trained</li> <li>• 20 subsector, technical feasibility, impact assessment and other studies conducted</li> </ul>	<p>Independent assessment reports of technologies and product introduced PACE reports IFAD supervision reports Case studies</p>	<p>Successful identification of capable research stations within the country</p>

### **3. Component-wise Progress of the Project Activities**

#### **3.1 Component 1: Financial services for microenterprises:**

PKSF launched microenterprise program in 2001 as one of its mainstream programs considering the growing needs of fund of the progressive borrowers of other financial services program like *Jagoran* (Rural Microcredit, Urban Microcredit) programs. Since the inception of the Microenterprise (*Agrosor*) Program, PKSF has been providing financial services for the microentrepreneurs through its partner organizations (POs). In the beginning, only progressive borrowers of other financial services programs were eligible to receive loans under the microenterprise program. PKSF upgrades and updates its microenterprise loan policy from time to time to address the demand of the entrepreneurs so that the poverty reduction process could be expedited. According to the latest version of the microenterprise loan policy, any entrepreneur who has an investment ranging from BDT 40,000 to 1.5 million is considered as a microenterprise and eligible to receive loan under this program. A micro-entrepreneur can borrow up to BDT 1.0 million as per the fund demand of his/her enterprise. Besides, there is a provision of providing additional working capital loan up to BDT 50,000 to meet the seasonal demand of the businesses.

Financial services are being given to the microentrepreneurs to expand their existing microenterprises and undertake new enterprises under the component-1 of the project. The members of PKSF's ongoing microenterprise program are receiving loan under the component-1 Financial Services for Microenterprises of the PACE project. IFAD contributes 50% of the net disbursement made within a period of time. PKSF and POs use their own resources to expand the microenterprise program.

As per the Project Design Report (PDR) of the project, the outcome of this component is sustainable financial services for microenterprises (farm, off-farm, trading and service sectors) expanded, while the outputs of the component are:

- a) Expansion of on-going loan program for microenterprise in all sectors (agriculture, off-farm, trading and services)
- b) Piloting of new loan products, e.g. start-up loan, lease financing, flexible repayment system (match with cash flow)
- c) Capacity building of the PKSF and its POs on design and development of new financial products, monitoring, evaluation and impact assessment of ME program and application of information technology in management of POs.

Project activities and targets under this component are:



- Reaching 102,000 microenterprise borrowers within first three years of the project, that is, by December 2017. The PKSf and its POs will mobilize an additional USD 50 million to finance this sub-component. The entire IFAD loan amount is expected to be drawn within the first three years and the PKSf/POs will continue refinancing these new 102,000 borrowers during the rest of the project period and beyond. This process will ensure exit of the IFAD and sustainability of the financial services.
- Piloting 2 to 3 new loan products to develop new loan products to meet emerging needs of microenterprises. The project budget allocated resources for feasibility studies as well as capital for lending. The POs will be the actual implementing organizations at the field level of this piloting within their ME clients.
- Training of an estimated 375 persons (PKSf and PO officials) in areas such as management of large scale ME loan program, monitoring and evaluation of ME program, impact assessment and application on information technology in management of ME loan program. The training courses may be organized by the PKSf or outsourced from training providers such as business schools and qualified training institutions.

### 3.1.1 Progress of the Activities under Component-1

#### a) Financial Services:

The net disbursement target of the PKSf under this component is BDT 3200.0 million (\*USD 40 million)



in first three years of the project (2015-17). As per the project arrangements, IFAD finances 50% of the net disbursement in any given period. Difference between opening outstanding (loan balance with POs) and closing

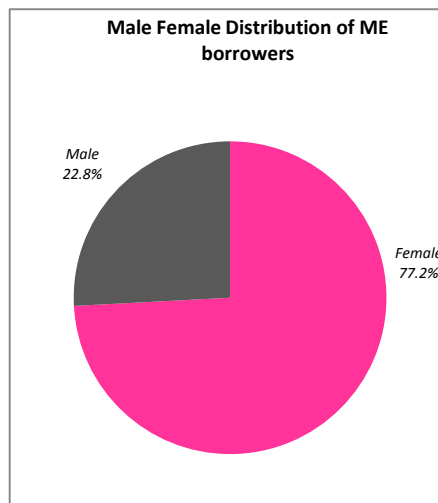
outstanding is considered as net disbursement.

Since the target of net disbursement already exceeded, there was no target for the current fiscal year. However, PKSf's net disbursement (from its own resources) in the first six months (July- December 2017) of the financial year 2017-18 was BDT 933.83 million (USD 11.67 million approx.) .

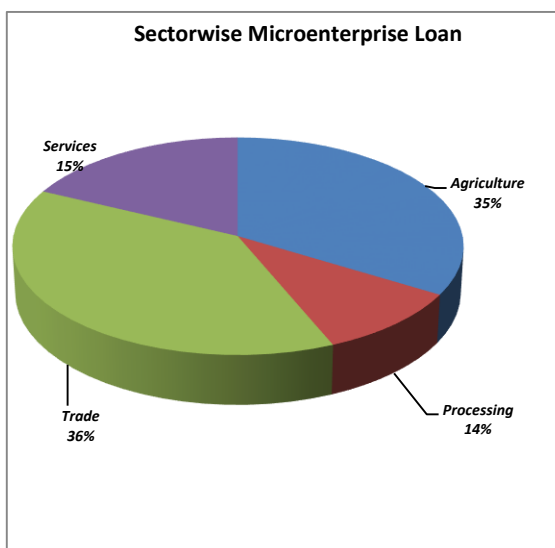
The cumulative net disbursement of the microenterprise loan up to December 2017 is BDT 4724.71 million (USD 59.06 million approx.). The project has already achieved 148% of the project’s total target of net loan disbursement of BDT 3200.00 million.

On the other hand, net disbursement of the POs to the borrowers was BDT 15,938.64 million (USD 199.23 million) during the reporting period July-December 2017. The cumulative net disbursement of the POs to the borrowers was BDT 54,816.93 million (around USD 685.21 million) with a current loan outstanding of BDT 85,060.0 million (which approximately USD 1063.25 million).

Micro-entrepreneurs invest their loan money in different enterprises under agriculture, trade, processing and service sectors. The current average loan size of the borrowers is BDT 1,08,297 (USD 1354) POs use their own fund generated from their credit program in the microenterprise program in addition to the fund provided by PKSf.



Currently, 181 POs out of 198 active POs are implementing Microenterprise Loan program. The number of microentrepreneurs under the program was 13,52,442 as on 31 December 2017. Among them, 22.76% was male and remaining 77.24% was female. A total of additional 7,04,566 microentrepreneurs have come under the ME program of PKSf since the launching of the project.



Sector wise microenterprise loan distribution is as follows; 36% ME loan is used in trade, 35% of loan is invested in agricultural sector, 15% of the ME loan is invested in service sector and 14% of ME loan is invested in processing sector.

**Information of financial services at a glance is given in the table below:**

Figure: in BDT Million

Subject	As on 31 <sup>st</sup> December 2014	As on 30 <sup>th</sup> June 2015	As on 30 <sup>th</sup> June 2016	As on 30 <sup>th</sup> June 2017	As on 31 <sup>st</sup> December 2017	Achieved for the FY 2017- 18 (Jul- Dec'17)	Cumulative Increase/ Decrease from Jan'15 to Dec'17
1	2	3	4	5	6	7 (6-5)	8 (6-2)
<b>PKSF to PO Level</b>							
No. of districts	64	64	64	64	64	0	0
No. of POs	163	168	172	179	181	2	18
Cumulative loan disbursement (BDT in million)	28124.1	31044.8	37945.8	45461.2	49679.7	4218.5	21555.6
Cumulative Recovery (BDT in million)	18572.24	20981.66	26167	32118.45	35403.12	3284.67	16830.88
Outstanding loans with Pos (BDT in million)	9551.86	10063.13	11778.76	13342.74	14276.57	933.83	4724.71
Cumulative Recovery Rate (CRR)	99.26%	99.48%	99.57%	99.60%	99.61%	0.00	0.0035
<b>POs to Field level</b>							
No. of borrowers with current loan	647876	727287	966140	1183483	1352442	168959	704566
Female	446784	513146	716521	914856	1048213	133357	601429
Male	201092	214141	249619	268627	304229	35602	103137
Cumulative loan disbursement (BDT in million)	206010.19	241710.18	331946.02	446537.1	553275.6	106738.55	0
Cumulative Recovery (BDT in million)	175767.1	205717	325634.5	377415.6	468215.58	90799.98	292448.48
Outstanding with borrowers (BDT in million)	30243.09	35993.18	49756.82	69121.38	85060.02	15938.64	54816.93
Average loan size in BDT	83,496	84,703	91,302	95,539	108,297	12,758	24,801
Cumulative Recovery Rate (CRR)	99.30%	99.36%	99.42%	99.49%	99.47%	-0.0002	0.0017

**b) Piloting of new loan products:**

The project has provision to pilot new financial products like start-up capital loan, lease financing, livestock insurance etc. for MEs. The PACE has started piloting two new loan products namely i) Start-up capital loan and ii) Lease Financing.

PKSF started piloting 'Start-up capital loan' for the new entrepreneurs. 10 POs of PKSF are

involved in piloting this new loan product. The project disbursed BDT 20.0 million. Hopefully, this newly introduced loan product will play an important role in expanding microenterprises. The POs engaged in piloting Start-up Capital loan products are 1) ESDO, 2) SSS, 3) TMSS, 4) WAVE Foundation, 5) GUK, 6) NUSA, 7) JCF, 8) SDS, 9) Heed Bangladesh and 10) RRF. These POs have already completed disbursement of sanctioned BDT 15.1 million among 201 microentrepreneurs following a specific policy formulated by PKSf. Under this experimental product the new entrepreneurs get financial services for their start-ups. PKSf monitors the implementation this new loan product on a regular basis.

The piloting of Lease financing has been started. 5 POs are involved in piloting this new loan product. PKSf disbursed BDT 10.0 million to the selected POs for providing support to entrepreneurs for obtaining fixed assets for their enterprises. The POs selected for piloting this loan products are; TMSS, People's Oriented Program Implementation (POPI), Jagoroni Chakra Foundation, Society for Social Service (SSS) and Eco-Social Development Organization (ESDO). The loans are disbursed following a specific policy developed by PKSf and POs. Up to December 2017, POs disbursed BDT 14.7 million to the microentrepreneurs. A total of 11 microentrepreneurs received this financial service.

PKSf will evaluate the performance of these two loan products, after completion of the piloting phase for mainstreaming these products.

**c) Capacity building of PKSf/POs on design and development of financial products, monitoring, evaluation, impact assessment of ME program and application of information technology:**

The project has a target to train a total of 50 PKSf officers and 25 officers of POs during the current financial year 2017-18 on Enterprise Management and Promotion of Private Business. The subject includes the topics like microenterprise management, marketing, new financial products development etc. Against this target, 25 officials of PKSf and 20 officials of POs were trained during the reporting period (July-December 2017) on the said subject. The resource persons from different specialized organization conducted the session of this training course.

Since project inception, as many as 100 officials of PKSf and 260 officials of different POs received training up to December 2017 on Enterprise Management and Promotion of Private Business against the total project target to train 375 officials of PKSf and its POs. Cumulative achievement 96%.

**d) Capacity building of micro-entrepreneurs in Microenterprise Management:**

Following the suggestion of IFAD Supervision Mission, PACE project set a plan to train 3000 micro-entrepreneurs in the project period. In 2017-18, as many as 1850 entrepreneurs were trained on their respective enterprises. Apart from skill development, the training courses trained the entrepreneurs on accounts keeping of the respective businesses. Cumulative number of entrepreneurs trained in microenterprise management is 2450.

### e) Microenterprise Review Workshop

The project has a target of organizing 6 Microenterprise Review Workshop. Two workshops were organized upto December 2017. The project has a target to organize a workshop in the current fiscal year, which will be organized in May 2017.

A Microenterprise Program Review Workshop was organized on 15 June 2017. The workshop was presided over by the Deputy Managing Director (Programme), PKSF Mr. Fazlul Kader. The Executive directors



and senior officials of selected 30 partner organizations took part in the workshop. PKSF senior officials also attended the workshop. Project Coordinator of PACE project, Mr. Akond Md. Rafiqul Islam, GM (Programme) moderated the discussion sessions. The participants exchanged their views on different of microenterprise development including the issues like microenterprise lending policy of PKSF, subsector development and increasing loan disbursement in processing sector.

### Case Study: Success story of a grass farmer named Mohasina

Mohsina Begum is living in two room's house in Narayanpur village, Panchbibi upazila of Joypurhat district. She was very poor and passed her time in a miserable situation with her husband and children. Her husband Shahid cultivate the land he got from his ancestor. Mohsina was always doing research on agriculture as she is based on agricultural-based family, but the family did not run with the only income of his husband. Poverty is the constant companion of Mohsina. Mohsina only got 2.0 litres of milk from her two cows and in exchange of the price (she got after sailing the 2 litre milk) she could not able to manage the livelihood of the cows. The family could not afford to buy regular meals - meat, eggs, milk etc. Sanitation system was not good due to lack of money.



After born of her two children, Mohsina was helpless. She was humiliated in the society but could not lost faith. She believes that honesty and hard work can help people to reach the level of success. Bitter experiences and reality shows people the path of new life. Mohsina

Begum became a member of a poor women's society of Naraynpur village under Panchbibi-01 branch of Panchbibi Upazila of social development organization Jakas Foundation. Just a month later, get a training on “high yielding fodder/grass” organized by Jakos Foundation. From the training, she learnt how the cultivation of high yielding grass can be benefited more than the rice cultivation. Mohsina expressed her wish to her husband Shahid to cultivate grass in the land instead of rice. By seeing their relentless efforts, the PACE project provided suggestion and cash allowance of BDT 2,000/- for the cultivation of high yielding grass. The struggle to get Mohsina's social acceptability and economic restoration started. On February 19, 2017, Mohsina started planting Napier grass in her own land. These improved varieties of grass became suitable for sale after 50-60 days and the market value of which is about BDT 10/- as per slot as well as about 15000/-. In 50-60 days cost of 1 bigha land is about BDT 3000/-. Income from 1 bigha a year is 75000/- and cost is only 15000-17000 / -. Annual income is about BDT 58000/-. At present Mahsina is cultivating Napier grass in lease with more than 7 bighas of land with 30,000 / - loan from Jakos Foundation. The monthly income from the sale of grass is about BDT 30000/-. Along with grass cultivation she is now rearing 1 shonkor cow and one country variety cow. As she is feeding the cow the improved variety grass, the milk production of the cow has increased and the cost of grained food has been reduced in many ways. Mohsina's income has also increased from the cow rearing. Now her family is economically solvent. The nutritional needs of the family have been met. The sanitation system has improved. Grass cultivation, cow rearing as well as poultry farming has increased her quality of livelihood. Mohasina is now the ideal example of empowered women.

### **3.2 Component 2: Value chain development**

Sub-sector based value chain intervention helps to a great extent in promoting microenterprises. The component-2 of the PACE project has provision to implement value chain interventions in different farm and non-farm subsectors. Prior to PACE project, PKSf successfully implemented IFAD supported Finance for Enterprise Development and Employment Creation (FEDEC) project through which PKSf gained valuable experiences in implementing value chain interventions. The value chain sub-projects taken under the PACE project is comparatively larger. The sub-sectors that have potentials in increasing income of micro-entrepreneurs and creating employments are given priority in undertaking value chain interventions.

The outcome of this component is sustainable inclusion of microenterprises and businesses run by the poor and the ultra-poor in value chains in agriculture, off-farm and service sectors to scale up business, production technologies and enhance access to markets.

The outputs of the value chain development component are to:

- a) Establish and expand value chains of 15 agricultural sub-sectors (products or group of products) in various parts of the country.
- b) Establish and expand value chains for 15 non-farm manufacturing, processing and service sub-sectors (products or group of products) in various parts of the country.

- c) Strengthen capacity of the PKSF and its POs to manage large-scale value chain subprojects
- d) Enhance capacity of the PKSF and its POs to identify, advocate and strengthen pro-poor business policies, especially sector specific policies (i.e. through capacity building).

The main activities under the value chain development are to i) make Value Chain Development (VCD) interventions in 15 farm sub-sectors ii) make VCD interventions in 15 non-farm sub-sectors, iii) capacity building of the PKSF and its POs in design and management of large-scale VCD sub-projects and iv) capacity building of the PKSF and its POs in policy analysis and advocacy.

### **3.2.1 Progress of the implementation of activities under Component 2**

The PACE project set a target to undertake 10 value chain sub projects in farm sector and 12 in non farm sector for the financial year 2017-18. During the reporting period (July – December 2017), PACE project undertook 6 value chain sub-projects in farm sector and 3 value chain sub projects in non-farm sector.

The number of value chain projects taken by December 2017 is 43. Of these 43 value chain sub-projects, 32 sub-projects are in farm sector and remaining 11 in non-farm sector. Up to December 2017, the project covered 15 farm sub-sectors and 11 non-farm sub-sectors.

#### **3.2.1.1 Value chain sub-projects taken in the period July-December 2017 of the FY 2017-18 in farm sub-sectors:**

PACE project undertook 1 value chain sub-projects in farm sector from July to December 2017. Short descriptions of the VC sub-projects taken this period are given below;

##### **i) Increasing Income of the Farmers of Haor areas through Production and Marketing of Duck eggs and Duck meats:**

A value chain sub-project titled “Increasing Income of the Farmers of Haor areas through Production and Marketing of Duck eggs and Duck meats” to promote duck farming sub-sector of haor areas of the country. The sub-project is being implemented by ‘Friends in Village Development Bangladesh (FIVDB)’ a partner organization of PKSF in Sylhet sadar of Sylhet district and South Sunamganj, Bishwamberpur and Dirai upazila of Sunamganj district. A total of 5,000 farmers will receive various



technical, technological and marketing supports under this value chain sub-project in the next three years. An agreement was signed between PKSf and FIVDB on 22 November 2017 to implement this sub-project.



**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
1	Increase income and employment of entrepreneurs through milking cow rearing in Char area	Society for Social Services (SSS)	Tangailsadar, Delduar, Vuapur, Nagarpur, Kalihati of Tangail district	0	5,000	28/6/2015	04	<ol style="list-style-type: none"> <li>1. Arrange vaccination and de-worming camp.</li> <li>2. Develop efficient local livestock service providers (LSP) through training.</li> <li>3. Develop local milk market.</li> <li>4. Establish linkages of targeted beneficiaries input suppliers, market stakeholders and other related service provider.</li> <li>5. Provide technical training on good management practices.</li> <li>6. Introduce disease calendar and health management card with basic business information</li> </ol>
2	Increase income and employment through Black Bengal goat rearing	Wave Foundation	Mherpursadar, Gangni and Mujibnagaruapazila of Meherpur district	0	6,000	6/7/2015	04	<ol style="list-style-type: none"> <li>1. Create efficient livestock service provider (LSP).</li> <li>2. Arrange vaccination camp.</li> <li>3. Dissemination of perch system for goat rearing and establishment of buck service station.</li> <li>4. Establish linkages with input suppliers, service providers and market stakeholders.</li> <li>5. Provide technical training on good management practices.</li> <li>6. Introduce disease calendar and health management card with basic business information</li> </ol>
3	Crab culture value chain development project	Nowabeni Gonomukhi	Shyamnagar, Kaliganj,	4965	1035	7/9/2015	03	<ol style="list-style-type: none"> <li>1. Train farmers on crab culture applying modern methods.</li> <li>2. Transfer technology of modern crab fattening</li> </ol>

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
		Foundation (NGF)	Asasuniupazila of Satkhira and Paikgachaupazila of Khulna					and establish demoplots on crab culture. 3. Establish information center for providing information to the farmers. 4. Provide market development support for sustainable crab farming management 5. Introduce online based e-marketing for local and foreign market extensions.
4	Increase entrepreneur's income and employment creation through year round beef fattening and fatten cattle marketing	Eco-social Development Organization (ESDO)	Thakurgaonsadar, Ranisonkoilupazila of Thakurgaon district	2200	2200	10/4/2016	03	1. Create trained and efficient livestock service provider (LSP) for primary veterinary service. 2. Disseminate urea molasses straw (UMS) technology for beef fattening. 3. Introducing cattle insurance. 4. Capacity development training for beef fattening 5. Establish market linkages among, balanced packaged feed supplier and vaccine/medicine supplier.
5	Improvement of natural fish breeding condition of Halda river	Integrated Development Foundation (IDF)	Raojan, Hathajari of Chittagong district	3000	750	10/04/2016	03	1. Arrange training for alternative sustainable income sources. 2. Awareness programme to maintain natural condition of Halda river. 3. To conduct training on improve carp culture technique. 4. Identify spawning zones of the river during period and provide assistance to protect the areas.

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
								5. Modernization of the hatching in the ground well and setting demo-plots. 6. Extend use of bio pesticides for crop production in the adjacent areas of the Haldariver.
6	Entrepreneurs creation and increase income through milking cow rearing	JAKAS Foundation	Panchbibi, Gaibandha	1750	1750	19/4/2016	04	1. Develop efficient local livestock service providers (LSP) through training. 2. Arrange a vaccination and de-worming camp. 3. Establish market linkages among AI worker, balanced packaged feed supplier and vaccine/medicine supplier and other service providers. 4. Provide technical training to beneficiaries on milking cow management. 5. Introduce livestock insurance
7	Beef fattening value chain development project	MBSK	Danajpursadar, Fulbari of Dinajpur district	280	1970	19/04/2016	03	1. Disseminate urea molasses straw (UMS) technology for beef fattening. 2. Introduce livestock insurance. 3. Arrange vaccination and de-worming campaign to reduce cattle mortality and improve productivity. 4. Provide technical training on modern beef fattening system and its good management practices. 5. Introduce disease calendar and health management card with basic business information

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
8	Increase entrepreneur's income and employment creation through commercially hi-yielding milking cow rearing, increase milk production and milk marketing	Social Upliftment society (SUS)	Savar, Dhamraiupazila of Dhaka district, Singair, Manikganj	0	3000	25/4/2016	03	<ol style="list-style-type: none"> <li>1. Develop efficient local livestock service providers (LSP) and Artificial Insemination (AI) workers through training.</li> <li>2. Establish a cow dung testing lab.</li> <li>3. Arrange vaccination and de-worming campaign to reduce cattle mortality and improve productivity.</li> <li>4. Establish market linkages among AI worker, balanced packaged feed supplier and vaccine/medicine supplier.</li> <li>5. Training for efficiency development on improved cow rearing management.</li> </ol>
9	Increase farmer's income and employment creation through high production & proper marketing of Mung bean and aromatic rice production	Grameen Jono Unnayan Sonstha (GJUS)	Bholasadar, Doulatkhan, Borhanuddin, Lalmohon, Charfason of Bhola district	1915	6085	28/4/2016	03	<ol style="list-style-type: none"> <li>1. Introducing high yielding Mung bean BARI-6 and aromatic rice(BRRI rice 34) variety.</li> <li>2. Technology transfer of using inoculum fertilizer instead of chemical fertilizer.</li> <li>3. Transfer technology of line sowing instead of broadcasting method.</li> <li>4. Training to the farmers for farming Mung bean and aromatic rice and pest control.</li> <li>5. Activities relating to market expansion of produced Mungbean and aromatic rice.</li> <li>6. Establish linkage with export market in Japan through a private sector company.</li> </ol>
10	Increase farmer's	Rural	Jessoresadar,	7000	3000	5/5/2016	03	<ol style="list-style-type: none"> <li>1. Introducing of high yielding Mung bean BARI-</li> </ol>

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	income and employment creation through Mung bean and Aman rice production by using improved technology	Reconstruction Foundation (RRF)	Bagharpara, Manirampur Upazilla of Jessore district Jhinaidaha Sadar, Kaliganj, Kotchadpur, Maheshpur Upazilla of Jhenaidaha district and Chuadanga Sadar, Jibannagar of Chuadanga Sadar district and Magura Sadar Upazilla of Magura district					6 and aman rice. 2. Dissemination the knowledge of use of inoculum fertilizer. 3. Transfer technology of line sowing instead of broadcasting method 4. Training to the farmers for farming Mung bean and aman rice and pest control. 5. Establish linkage with export market in Japan through a private sector company.
11	Increasing farmer's income and livelihood through safe vegetable and Moringa production & marketing	Society for Development initiatives (SDI)	Dhamrai Upazilla of Dhaka district	1705	295	26/6/2016	03	1. Provide training on pesticide free vegetable production. 2. Dissemination of modern technologies like sex pheromone trap, Brecon, Trikogama, Trikodrama etc. 3. Create linkage with market stakeholders. 4. Organize workshop for collaboration with Government and non-government organizations for marketing and use of pesticide. 5. Establish of herbal pesticide laboratory.
12	Buffalo rearing in improved	Grameen Jono Unna	Bholasadar, Doulatkhan, Borhanuddin, Lalmohan,	2137	4863	20/9/2016	03	1. Arrange vaccination and de-worming camp. 2. Develop efficient local livestock service

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	management	yan Sonstha (GJUS)	Charfashionupazilla of Bholadistrict					<p>providers (LSP) through training.</p> <p>3. Introduce buffalo fattening technology</p> <p>4. Artificial Insemination (AI) technology</p> <p>5. Establish linkages between targeted beneficiaries with input suppliers, market stakeholders and other related service provider.</p> <p>6. Provide technical training on good management practices.</p> <p>7. Introduce disease calendar and health management card with basic business information</p>
13	Increase farmer's income through Mung bean production by using modern technology	DAM Foundation for Economic Development (DFED)	Bargunasadarupazila of Barguna	1801	1799	1/11/2016	2 Years 8 months	<p>1. Introducing of high yielding Mung bean BARI-6 variety.</p> <p>2. Technology transfer of using innoculum fertilizer instead of chemical fertilizer.</p> <p>3. Transfer technology of line sowing instead of broadcasting method</p> <p>4. Train the farmers for farming Mung bean production.</p> <p>5. . Establish linkage with export market in Japan through a private sector company.</p>
14	Increase farmer's income through	Sangathita Gram	Patharghata, Bamna, Amtali, Betagiupazila of	2400	2400	1/11/2016	2 Years 8 months	<p>1. Technology transfer of high yielding Mung bean BARI-6 cultivation.</p>

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	Mung bean production by using modern technology	Unnoyon Karmasuchi (Sangram)	Barguna district					2. Technology transfer of using innoculum fertilizer instead of chemical fertilizer. 3. Transfer technology of line sowing instead of broadcasting method 4. Train the farmers for farming Mung bean production. 5. Market expansion activities for Mung bean.
15	Employment Creation and Income Generation through Improved Carp-Prawn Mixed Culture and Marketing	Nabolok Parishad	Bagerhat District (Fakirhat, Bagerhat Sadar and Chitalmari Upazila)	1355	1645	15/2/2017	3	Do
16	Employment Creation and Income Generation through Improved Carp-Prawn Mixed Culture and Marketing	Nowabekiganomukhi Foundation (NGF)	Satkhira District (Shyamnagar, Kaligonj, Asashuni and KolaroaUpazila)	1495	1505	15/2/2017	3	Do
17	Employment Creation and Income Generation through Improved	SatkhiraUnnayanSangstha (SUS)	Khulna (DumuriaUpazila) and Satkhira District (TalaUpazila)	1250	1750	16/2/2017	3	Do

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	Carp-Prawn Mixed Culture and Marketing							
18	Employment Creation and Income Generation through Improved Carp-Prawn Mixed Culture and Marketing	Jagorani Chakra Foundation (JCF)	Khulna (Dumuria and RupshaUpazila) and Bagerhat District (FarkirhatUpazila)	1300	1700	19/2/2017	3	<ol style="list-style-type: none"> <li>1. Producer Group (PG) Formation (Cluster Farming) and Capacity Building of PG's through Lead Farmer on Good Aquaculture Practise (GAqP), Good Governance in PG, PG's Bussiness Plan Development, Record keeping on farm record book etc.</li> <li>2. Market Linkages with quality inputs suppliers and with the buyers of fish and fish products (Fish Processing Plants)</li> <li>3. Establish local fish collection center to minimize the post harvest loss of fish and prawn and to ensure fare price, weight of the product for the farmer.</li> <li>4. Farm Demonstration on use of Probiotics in aqualculture instead of harmful pesticides, antibiotics etc. for safe food production and sustainable aquaculture; farm demonstration on all male or all female prawn culture for increase the production</li> <li>5. Link PG's with service providers (GO's and private sectors), micro-finance institute to enable</li> </ol>



**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
								the business environment.
19	Employment Creation and Income Generation through Improved Carp-Prawn Mixed Culture and Marketing	Rural Reconstruction Foundation (RRF)	Jessore District (Abhaynagar, Monirampur and KeshabpurUpazila)	1770	1230	19/2/2017	3	Do
20	Employment Creation and Income Generation through Improved Carp-Prawn Mixed Culture and Marketing	Shaplaful	Bagerhat District (BagerhatSadar, Rampal and MollahatUpazila)	775	425	19/2/2017	3	Do
21	Existing cow cluster development and extension at Talaupazila in Satkhira District through modern	Unnoyon Prochesta	Tala&Islamkathi	480	2520	20/2/2017	03	1. Concentred balanced diet production and linkage with marketer. 2. Arrange vaccination and de-worming camp. 3. Establish linkages between targeted beneficiaries with input suppliers, market stakeholders, sweet shop owner, confectionary, and other related service provider.

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	technology and management							4. Provide technical training on good management practices. 5. Develop efficient local livestock service providers (LSP) through training. 6. Introduce raw grass production, vermi compost and hydroponic technology 7. Artificial Insemination (AI) technology 8. Introduce balanced diet chart, expenditure and income chart, disease calendar and health management card with basic business information
22	Increasing income and employment generaytion for microentrepren ures by rearing of mulching cow in Padma river floodplain site.	Noria Unnayan Samity (NUSA)	Sariatpur	870	3630	23/02/2017	3	1. Technical Training on cow rearing and diseases control 2. Recod card preparation for vaccination, breeding,feeding,etc 3. Leaflet preparion on special care of calf and mother 4. Model demonestraion farm establishment and market linkage activities
23	Increasing income and employment	Wave Foundati on	Meherpur		1500	8/3/2017		1. Technical training on modern cultivation technology for onion 2. Leaflet preparion on year round onion cultivation and pest management

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	generation for micro-entrepreneurs by year round onion cultivation and marketing							<ol style="list-style-type: none"> <li>3. Establish Demo Farm on Low cost onion preservation</li> <li>4. Arrange learning visit for farmers</li> </ol>
24	Increasing income and improve livelihood of micro-entrepreneurs by increasing productivity and reducing production cost of aromatic rice.	Gram Bikash Kendra-GBK	Dinajpur	4000	1000	25/04/2017	3	<ol style="list-style-type: none"> <li>1. Farmers training on modern cultivation and pest control technology</li> <li>2. Orientation for the seed and input suppliers on quality seed and others input supply to the farmers</li> <li>3. Market linkage workshop with Output traders.</li> </ol>
25	Increasing income of farmers by	TMSS	Bogra sadar and Sahjahanpur upazila of Bogra	4250	750	03/5/2017	3	<ol style="list-style-type: none"> <li>1. Provide training on safe vegetable cultivation</li> <li>2. Training on producing vermin-compost</li> </ol>

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	cultivating traditional and high value vegetable following safe production method							fertilizer 3. Support for demonstration plot 4. Support for market linkage 5. Organize workshop 6. Test on toxicity of vegetable
26	Increasing income of farmers by cultivating traditional and high value vegetable following safe production method	Shariatpur Development Society (SDS)	Jajira, Vedorganj and Nariaupazila of Shariatpur	3300	700	03/5/2017	4	1. Provide training on safe vegetable cultivation 2. Training on producing vermin-compost fertilizer 3. Support for demonstration plot 4. Support for market linkage 5. Organize workshop 6. Test on toxicity of vegetable
27	Increasing farmer's income and livelihood through safe vegetable and spices production & marketing	Ghasphul	Hathazari	2226	774	14/6/2017	3	1. Provide training on pesticide free vegetable production. 2. Dissemination of modern technologies like sex pheromone trap, Brecon, Trikogama, Trikodrama etc. 3. Create linkage with market stakeholders. 4. Black pepper production technology transfer.

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
								5. Improve local 'Red chilli' value chain.
28	Increase income and employment of Black Bengal goat farmer by market value chain development	YPSA	Sitakunda, Chittagong	2226	2774	15/6/2017	3	<ol style="list-style-type: none"> <li>1. Create efficient livestock service provider (LSP).</li> <li>2. Dissemination of perch system for goat rearing and establishment of buck service station.</li> <li>3. Establish linkages with input suppliers, service providers and market stakeholders.</li> <li>4. Provide technical training on good management practices.</li> </ol>
29	Increase farmer's income through commercial farm establishment of native hen	Society for Social Services (SSS)	Vuapur&Gopalpur		5000	19/6/ 2017	3	<ol style="list-style-type: none"> <li>1. Provide technical training on good management practices of native hen rearing.</li> <li>2. Develop efficient local livestock service providers (LSP) through training.</li> <li>3. Establish model farm of native hen</li> <li>4. Arrange vaccination camp.</li> <li>5. Provide hatching machine, debarking, chandelling machine.</li> <li>6. Establish linkages between targeted beneficiaries with input suppliers, market stakeholde and other related service provider.</li> <li>7. Arrange exchange visit/cross visit</li> </ol>
30	Increase farmer's income through	National Developm	Sirajgonj Sadar, Ullapara, Belchuci,	10,660	7,340	19/6/2017	03	<ol style="list-style-type: none"> <li>1. Provide different types of skill training for different level stakeholders,</li> </ol>

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	Development and expansion of dairy cluster	ent Programme (NDP), Sirajgonj	Kamarkhandah, Rayganj and KazipurUpazila of Sirajgonjdistrict					<ol style="list-style-type: none"> <li>2. Arrange regular vaccination &amp; deworming camp,</li> <li>3. Introduce of Artificial insemination technology,</li> <li>4. Introduce of heat detection and pregnancy detection technology,</li> <li>5. Introduce of Calf starter feed for feeding calf.</li> <li>6. Introduce of two manger system and also vermi compost technology</li> <li>7. Demonstration and result demonstration of calf starter feed, two manger system, Napier pang chung</li> <li>8. Development of livestock service provider (LSP),</li> <li>9. Awareness creating activities like Health card, disease calendar, calf feeding management, repeat breeding leaflet etc.</li> <li>10. Input and output Market linkage workshop &amp; other market promotion activities for milk market expansion and local brand establishment</li> </ol>
31		Muktipath	Hathazari, Fatikchori,	1026	2474	22/6/2020	3	1. Create efficient livestock service provider

**3.1.1.2 The list of the VCD sub-projects in farm sub-sectors taken up to December 2017 is given below:**

Sl. No.	Name of VCD sub project	Implementing PO	Working Areas	Direct beneficiaries currently enrolled		Date of commencement	Duration of the Sub-project (years)	Major activities
				Male	Female			
	Increase income and employment of Black Bengal goat farmer by market value chain development		Chittagong					(LSP). 2. Dissemination of perch system for goat rearing and establishment of buck service station. 3. Establish linkages with input suppliers, service providers and market stakeholders. 4. Provide technical training on good management practices.
32	Production and Marketing of Duck meat and Duck eggs	Friends in Village Development Bangladesh (FIVDB)	Sylhet sadar of Sylhet district and South Sunamganj, Bishwamberpur and Dirai upazila of Sunamganj district	3800	1200	22/1/1/2017	3	1. Train farmers on duck rearing applying modern methods. 2. Established modern duck hatchery. 3. Market linkages with different service provider. 4. Vaccination camping. 5. Integrated farming of duck cum fish.

### **3.2.2 Value Chain Development in non-farm subsectors:**

In the first half of financial year 2017-18, PACE project undertook 3 value chain sub-projects in nonfarm sector. Short descriptions of these sub-projects are given below:

i) **Mechanization of micro shoe industry by establishing Common Service Centers Value Chain Sub-project:**

A value chain sub-project titled ‘Increasing income and creating employment through mechanising micro shoe industry by establishing Common Service Centers’ was taken to promote the micro shoe industry of the Bhairab upazila under Kishorganj district. Through this sub-project common service centers will be established to extend modern tools and equipments for improving the quality of shoes produced in the business cluster. As many as 10,065 entrepreneurs and workers will receive technical and technological support under this sub-project. This sub-project is being implemented through ‘Peoples Oriented Program Implementation (POPI)’, a partner organization of PKSf.

ii) **Establishment of Tissue Culture Lab for extension of flower cultivation and supplying quality seedlings:**

To promote floriculture subsector of the Jessore region, an initiative has been taken to establish a Flower Tissue Culture Lab in Ramnagar, Jessore. This sub-project will be established through ‘Rural Reconstruction Foundation (RRF)’, a partner organization of PKSf. The farmers engaged in flower cultivation will get high quality saplings of flower plant from this tissue culture lab. An agreement was signed with RRF on 12 September 2017 for implementing this sub-project.

iii) **Increase income and employment through development of mini readymade garments microenterprise:**

A value chain sub-project titled ‘Increase income and employment through development of mini readymade garments microenterprise’ was taken to promote mini readymade garments microenterprise. Mini garments of Natore and Pabna district is being supported by this VC sub-project. The main activities under this project are Capacity development of the producers and service providers, establish service centre for fusing and screen print designing, establish demonstration for knit and oven garments, e-marketing, establish buying house etc. As many as 10,300 entrepreneurs and workers will receive support under this sub-project. This sub-project is being implemented through ‘Organisation for Social Advancement & Cultural Activities (OSACA)’, a partner organization of PKSf.



**3.2.2.1 The list of the VCD sub-projects in non-farm sub-sectors taken up to December 2017 is given below:**

I. No.	Name of VCD sub project	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
1	Embroidery and dress making by women entrepreneurs	Ashrai	Tanor, Godagari, Mohanpur, Poba of Rajshahi and Chapainababganjsadar of Chapainababganj district	0	3,000	18/10/2015	02	<ol style="list-style-type: none"> <li>1. Hands on training for the entrepreneurs.</li> <li>2. Establish linkages between entrepreneur and quality raw material suppliers.</li> <li>3. Training on designing and dress making.</li> <li>4. Establish market linkages both at regional and national level.</li> <li>5. Advertisement, participate in trade fairs, display products in websites etc.</li> </ol>
2	Establishment of crab hatchery	Nowabenki Gonomukhi Foundation (NGF)	Shyamnagar of Satkhira district			14/3/2016	02	<ol style="list-style-type: none"> <li>1. Establish a crab hatchery in Shymnagar, Satkhira for production of crablets.</li> <li>2. Production of quality crablets in hatchery and supply to the farmers.</li> <li>3. Organize technical training for the concerned staff and officials on Hatchery Management.</li> <li>4. Develop Hatchery</li> </ol>

1. No.	Name of VCD sub project	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
								Management Manual and Nursery Management manual 5. Train microentrepreneurs on crablet nursery management
3	Increasing income of entrepreneurs and creating employment Small scale shoe industry development	People's Oriented Program Implementation (POPI)	Bhoirab of Kishoreganj district	399	1	19/4/2016	02	1. Hands on training to the workers, designer, cutting master on producing export quality shoes. 2. Establish linkages between producers, quality raw material suppliers and buyers. 3. Training on design shoe making. 4. Take initiative for healthy work environment in the shoe factories.
4	Increasing income and creating employment through production and marketing of Imitation gold jewelleryes.	Sishu Niloy Foundation (SNF)	Maheshpurupazila of Jhinaidah district	281	319	28/7/2016	03	1. Provide technical training on imitation gold jewellery production techniques, designing, packaging and colouring 2. Workshop, meeting, seminar on market linkage of imitation gold jewellery 3. Introducing new types and design of imitation gold

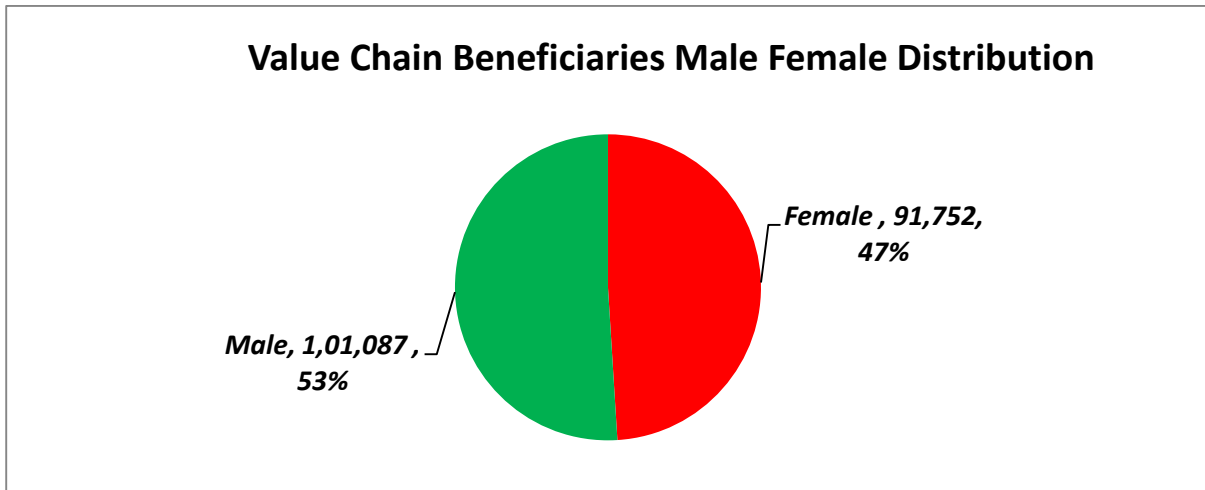
I. No.	Name of VCD sub project	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
								<p>jwelleries</p> <p>4. Participate in local and national fare and festivals to demonstrate, sale and promote market linkage of imitation gold jewellery</p> <p>5. Organize exchange visit to learn better production techniques.</p>
5	Increasing income of honey producers through sustainable honey processing and marketing of honey based products	Bangladesh Association for Social Advancement (BASA)	<p>Mirjapur, Shokhipur of Tangail district;</p> <p>Gajipursadar of Gajipur;</p> <p>Shyamnagar of Satkhira district</p>	3621	693	2/8/2016	03	<p>1. Provide technical training on honey production, honey bee management, transportation, honey processing and marketing.</p> <p>2. Provide training of honey crop producers on importance of apiculture near crop field.</p> <p>3. Workshop, meeting, seminar on market linkage</p> <p>4. Organize exchange visit among honey producing microenterprises</p> <p>5. Introduce and adapt flow-hive machine for honey extraction</p> <p>6. Provide support to create queen bees to increase productivity.</p>

I. No.	Name of VCD sub project	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
6	Increasing income and creating employment through using fish dryer and organic method to produce pesticide free dry fish.	COAST Trust	Cox's Bazaar Sadar&Moheskhali	2500	2499	20/2/2017	03	<ol style="list-style-type: none"> <li>1. Provide technical training on pesticide free dry fish production, by product management, dry fish processing, preservation, packaging and marketing.</li> <li>2. Provide workforce training and</li> <li>3. Establish BFRI mechanical dryer and Macha which are used for hygenic dry fish production.</li> <li>4. Establish sign board, billboard for identification and address of dry fish producers.</li> <li>5. Workshop, meeting, seminar on market linkage</li> <li>6. Organize exchange visit to learn pesticide free dry fish production techniques.</li> </ol>
7	Improve livelihood through power loom introduction	DABI Moulik Unnayan Sangstha	Naogaon, Jaypurhat&Bogra	2811	189	3/5/2017	3	<ol style="list-style-type: none"> <li>1. Capacity building of producer</li> <li>2. Demonstration of power loom</li> <li>3. Training of designer</li> <li>4. Exposure visit</li> </ol>

I. No.	Name of VCD sub project	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
8	Medicinal plant value chain development project	UDPS	Natore	4468	32	3/5/2017	3	<ol style="list-style-type: none"> <li>1. Capacity building of service provider</li> <li>2. Demonstration establishment</li> <li>3. Technical capacity building Training of farmer</li> <li>4. Technical meeting for service transfer</li> </ol>
9	Establishing common service centres for the mechanisation of micro shoe industry	Program Implementation (POPI)	Bhoirob, Kishorgonj	5035	5030	25/7/2017	3	<ol style="list-style-type: none"> <li>1. Service center establishment</li> <li>2. Factoru mechanization</li> <li>3. Recycling</li> <li>4. Linkage with formal market</li> </ol>
10	Establishment of Tissue Culture Lab for extension of flower cultivation and supplying quality seedling.	Rural Reconstruction Foundation (RRF)	Jessore		160	12/09/2017	02	<ol style="list-style-type: none"> <li>1. Establish a flower tissue culture lab</li> <li>2. Collection of high quality genetic materials of flower variety</li> <li>3. Net house establishment</li> <li>4. Production and selling of tissue culture seedling</li> </ol>
11	Mini Readymade Garments Development							

### 3.2.3 Project participants in the VCD projects:

The number of beneficiaries in 43 VCD sub-projects was 1,92,839 as of 31 December, 2017. Number of male and female beneficiaries is 1,01,087 (53%) and 91,752 (47%) respectively.



### 3.2.4 Training of PKSF/GoB and POs officials on value chain project design and management:

PACE project organized training on Value Chain Project Design and Management for 25 PKSF and POs officials against the target of train 20 officials in the current financial year 2017-18.

By December 2017, a total 251 officials of PKSF and POs were trained against the total target to train 250 officials. Achievement is 100%.



### 3.2.5 Training for PKSF/PO officials on preventing environmental degradation and improving conditions in work place:

Considering importance of environmental risk management in microenterprise sector, PACE Project had included training courses on Environmental and Hazardous Workplace Management. The focus of the training is to learn what and how to address core physical environmental and hazardous workplace with the microenterprise sector and value chain project. The broad issues covered in this training are a) industrial and agricultural environmental assessment with focus disposal of hazardous materials, b) mitigating hazards and issue of technologies and management systems to improve physical environment in

microenterprises and firms, c) assessment of hazards in workplaces, d) mitigating measures to improve working conditions.

Since the overall project target was already achieved there was no target for the financial year 2017-18 to train PKSF and its POs' officials on this subject. The cumulative number of officials trained on this subject is 88 against the total project target to train 80 officials. The project already achieved 100% the project total target.

### **3.2.6 Identify, advocate and strengthen pro-poor business policies, especially sector specific policies identify, advocate and strengthen pro-poor business policies, especially sector specific policies:**

PACE project selected three policy related issues for conducting studies on the basis of which policy paper and policy guidelines will be prepared. The issues are; i) Market orientation of agriculture and agri-business promotion through business cluster development, ii) Promotion of non-farm microenterprises through value chain development, iii) Guidelines for Management of Microenterprise Environmental Health and Safety Risks. The procurement process for these consulting works is under way.

### **3.2.7 Training on Business/Sector Policy Analysis and Advocacy:**

The project has a target to train 100 officials of PKSF and POs in the project period. The project so far trained 20 officials on this topic. PACE project has a target to train 60 officials of PKSF and POs. In the first half of the financial year, no training course was organized. However target will be achieved by June 2018.

### **3.2.8 Annual Review Workshop of Value Chain Development sub-projects:**

Against the total project target of organizing 6 annual review workshops, PACE organized 01 review workshop on Value Chain Development. One review workshop will be organized in May 2018.

### **3.2.9 Regional Value Chain Development Workshop:**

The project target of organizing regional VCD workshop was 20. PACE project organized 16workshops by December 2017. More 4 regional workshops will be organized by March 2018.

## Case Study: Success of Rupali in Embroidery

Rupali's father Nur Hossain's profession is a small businessman and mother is a housewife. Their house is in village Bajarapur of Godagari upazila. Rupali is the youngest among the



three brothers and sisters. Rupali wanted to continue her studies after passing SSC but could not study, and got married. After marriage, she started studying again with her husband's wishes and passed the Higher Secondary. Rupali's husband is a small insecticide trader in the local market. Rupali's son was born in two years of their marriage and after some days her husband lost nearly two and a half million rupees in business. As husband becomes

unemployed, it becomes unthinkable to run a family. One of Rupali's relatives used to doing embroidery work in the house, from which she learned a few stitches from her and started doing embroidered work in a small amount of clothes. But the relative did not pay her money. Rupali's sister-in-law ran a business called Rimzhim Fashion House at Baliapukur, with the help of her mother-in-law and sister-in-law, to Rupali went there and took 7 three pieces (with embroidery work) as sample at her own expense. In the presence of Rupali, 4 three pieces were sold. Rupali started embroidery work with other 5 people who have some knowledge on sewing and started supplying them to Rimzhim Fashion House. Rupali bought a sewing machine at the cost of profit. But there was money left in the Rimzhim fashion house also because they did not complete payment timely. In October 2015, a cluster named Tia Mahila Samity was formed in Nalkhola village under the 'embroidery/ Garment-based sub-sector development project' organized by women entrepreneurs. Under Rupali's leadership, more than 29 people were included in the cluster. Rupali participated in the training on fashion designing organized by Asroy. Rupali became proficient in the field of Color Matching, Block Batik, Tie and Die, Natural Dyeing etc. after training. After returning home, she taught her learning of women workers in such a way that the quality of their work improved. These clusters are provided basic training and training on the index for five days. Rupali was communicated with Ishwardi's Oshaka Fashion House with the help of Project Assistant Value Chain Development Officer Mahbuba Akhter. Rupali collected clothes, threads and other accessories from Rajshahi, and made three pieces, saris, one piece etc. Today, more than eighty women work under her. Apart from production costs, wages and other expenses, Rupali has an income of eight thousand rupees per month. There are eight to ten people who earn more than a thousand rupees. Rupali gave her nearly one lakh rupees to restore her husband's business, which she was saving. Rupali's wish is to make a showroom in the local market and make the 4-year-old boy educated.

### 3.3 Component 3: Technology and product adaptation

The PACE project is making attempts to solve technological problems in different potential economic sub-sectors under the component of technology and product adaptation. The project provides technological support to the microentrepreneurs engaged in various economic activities in different regions of the country.



The outcome of this component is proven technologies and products (agricultural and off-farm) from Bangladesh and international sources introduced to micro entrepreneurs. The outputs are: a) Resolution of technological problems identified under component 2, b) Adaptation and dissemination of proven technologies and products, c) Provision for technical assistance.

The activities under Technology and product adaptation are: a) addressing six technological problems; b) transferring 15 proven technologies/products to small producers, c) conducting 24 sub-sector, technical feasibility and sector specific VCD impact studies and d) organizing associated consulting services.

### 3.3.1 Progress of the implementation of activities under Component:3

PACE project transferred following readily available technologies to the farmers and entrepreneurs through value chain and technology transfer sub-projects.

Sl. No.	Name of technology	Name of the VCD/TT sub-project where this technology is available	Name of the partner organization	Beneficiary coverage
1.	Urea-Molasses-Straw (UMS)	Beef Fattening Value Chain Sub Project	ESDO	4,000
		Dairy value chain Sub Project	NUSA	2,050
		Dairy value chain Sub Project	Jakas	1,750
		Beef Fattening Value Chain Sub Project	MBSK	1,550
2.	Improved Hazel	Indigenous Poultry Production Value Chain Sub Project	SSS	600
3.	Fish cum Duck Integrated Farming	Duck Value Chain Sub Project	FIVDB	600
4.	Fish Dryer	Dry Fish Production Value Chain Sub Project	Coast Trust	2,550
5.	Organic Technique for Fish Drying			2,550
6.	Integrated Farming of Black Pepper, Ginger and Turmeric	Black Pepper, Ginger and Turmeric Technology Transfer Sub Project	OPCA	1,200
7.	Perch (machcha) for goat rearing	Goat rearing value chain	YPSA	162
			Muktipath	500
			DBS	45
			WAVE	4,350

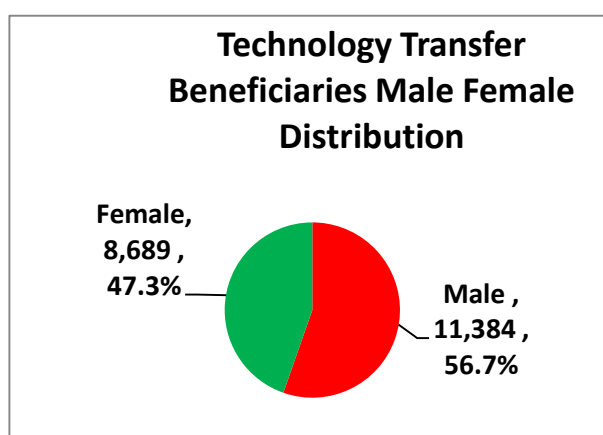
<b>Sl. No.</b>	<b>Name of technology</b>	<b>Name of the VCD/TT sub-project where this technology is available</b>	<b>Name of the partner organization</b>	<b>Beneficiary coverage</b>
8.	Hydroponic fodder cultivation	Goat rearing value chain	YPSA	3
		Goat rearing value chain	Muktipath	50
		Dairy value chain	Unnayan Prochesta	11
9.	Vermicompost	Halda project	IDF	150
		Safe vegetable and red chilli production	Ghashful	20
		High value fruit	SSS	20
		Safe vegetable	TMSS	40
		Safe vegetable	SDS	61
		Dairy value chain	NUSA	2,050
		Dairy value chain	Unnayan Prochesta	41
		Dairy value chain	NDP	547
10.	Pheromone trap	Halda project	IDF	560
11.	Matir Kua (natural fish breeding at mud hatchery)	Halda project	IDF	50
12.	Fish fry & fingerlings production technology	Halda project	IDF	50
13.	Fingerling & fry transportation technology	Halda project	IDF	450
14.	Floating bed vegetable cultivation technology	Safe vegetable and red chilli production value chain	Ghashful	10
15.	Water Quality Measuring Technology	Employment Creation and Income Generation through Improved Carp-Prawn Mixed Culture and Marketing (VCD Project)	JCF	3,000
			Nobolok	3,000
16.	Probiotic Using Technology in Fish Culture		NGF	3,000
			RRF	3,000
17.	All male or all female		SUS	3,000

Sl. No.	Name of technology	Name of the VCD/TT sub-project where this technology is available	Name of the partner organization	Beneficiary coverage
	Prawn Culture Technology		Shaplaful	1,200
18.	Double manger Technology	Dairy value chain	NUSA	2,050
			Unnayan Prochesta	3,000
19.	Artificial insemination	Dairy value chain	NUSA	2,050
			SSS	3,750
			GJUS	80
			NDP	459
20.	High yielding green fodder cultivation	Dairy value chain	NUSA	12
			Jakas	413
			SSS	275
			NDP	427
21.	Bio gas production technology	Dairy value chain	NUSA	2,050
			NDP	57
22.	Pit compost	Dairy value chain	NDP	2,241
23.	Milk replacer for calf management	Dairy value chain	NUSA	24
24.	Calf starter for calf management	Dairy value chain	NUSA	24
25.	Inoculum fertilizer for Mung bean production	Mung bean value chain	RRF	12,400
			GJUS	
26.	Line sowing for Mung bean production	Mung bean value chain	RRF	6,400
			GJUS	6,000
			Songram	550
			DFED	250
27.	Integrated Pest Management (IPM)	Mung bean value chain	RRF	6,400
			GJUS	6,000

Sl. No.	Name of technology	Name of the VCD/TT sub-project where this technology is available	Name of the partner organization	Beneficiary coverage
28.	Seed preservation of Mung bean and Amon Rice	Mung bean value chain	RRF	6,400
			GJUS	6,000
29.	Four crop production technology	Four crop technology transfer sub project	RDRS	2,500
30.	Crab fattening through soil & water quality testing and management	Crab culture value chain sub project	NGF	250
31.	Quality Queen production by grafting technology	Honey value chain sub project	BASA	175
32.	Honey extracted by extractor machine	Honey value chain sub project	BASA	219
33.	Pollen collection by pollen trap	Honey value chain sub project	BASA	118
34.	Honey moisture test by Refract meter	Honey value chain sub project	BASA	13
<b>Total 34 Technologies</b>				<b>1,12,807</b>

### 3.3.2 Sub-projects taken under Technology and Product Adaptation:

PACE project undertook 16 technology and product adaptation sub-project to transfer 13 proven technologies to different sub-sectors. The technology and product adaptation project has 20,073 beneficiaries. Among the beneficiaries male and Female are 11,384 (56.7%) and 8,689 (43.3%). The following two technology transfer sub-projects were taken during the reporting period July to December 2017.



**i) Expansion of Sheep Rearing following Perch Method Technology**

A technology transfer sub-project titled 'Expansion of Sheep Rearing following Perch Method Technology' was taken to provide appropriate technology to the farmers. A total of 500 farmers of Gangni upazila of Meherpur district will get technological support under this sub-project. This sub-project is being implemented through Daridra Bimochan Sangstha (DBS), a partner organization of PKSF.



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**ii) Expansion of cultivation technology of high value fruits and crops**

A technology transfer sub-project titled 'Expansion of cultivation technology of high value fruits and crops' was taken to transfer the technologies of different fruits and crops cultivation. PKSF's partner organization 'Ghashful' is implementing this three-year sub-project. Cultivation technologies of Dragon fruit, Barhi dates, Hybrid coconut, Avocado and Coffee will be transferred to farmers through this sub-project. A total of 150 farmers of Hathazari upazila of Chittagong district will get technological support under this sub-project.



**3.3.3 The list of technology transfer sub-projects is given below;**

I. No.	Name of sub project on Technology	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
1	Extension of quadruple crops in same land for increasing productivity of crops in northern part of Bangladesh	RDRS, Bangladesh	Thakurgaon	1635	165	10/10/2016	02	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on high quality crops variety 3. Market linkage activities
2	Increasing income and employment generation of micro-entrepreneurs through practicing improved technology in mixed carp-prawn culture.	JCF, Jessore	Dumuria, Rupsa and Fakirhatupazila	1300	1700	19/2/17	01	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on mixed carp-prawn culture. 3. Market linkage activities
3	Increasing income and employment generation of micro-entrepreneurs through practicing improved technology in mixed carp-prawn culture.	Nobolok Parisad	Fakirhat and ChitolmariUpazila of Bagerhat District	1355	1645	23/3/17	01	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on mixed carp-prawn culture. 3. Market linkage activities
4	Increasing income and employment generation of micro-entrepreneurs through practicing improved technology in mixed carp-prawn culture.	Nowabenki Gonomukhi Foundation (NGF)	Syamnagar, Kaliganj and Asasuniupazila of Satkhira district	1495	1505	22/3/17	01	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on mixed carp-prawn culture. 3. Market linkage activities

I. No.	Name of sub project on Technology	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
5	Increasing income and employment generation of micro-entrepreneurs through practicing improved technology in mixed carp-prawn culture.	RRF, Jessore	Ovoynagar, Monirampur and KasabpurUpazila of Jessore district	1770	1230	19/2/17	01	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on mixed carp-prawn culture. 3. Market linkage activities
6	Increasing income and employment generation of micro-entrepreneurs through practicing improved technology in mixed carp-prawn culture.	SutkhiraUnnayan Sangshtya (SUS)	Tala of Satkhira and Dumuria of Khulna District	1250	1750	29/3/17	01	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on mixed carp-prawn culture. 3. Market linkage activities
7	Increasing income and employment generation of micro-entrepreneurs through practicing improved technology in mixed carp-prawn culture.	Shaplaful	Fakirhat, Mollahat and Rampalupazila of Bagerhat district	775	425	19/2/17	01	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on mixed carp-prawn culture. 3. Market linkage activities
8	Extension of Vermicompost production and hydroponic fodder cultivation technology.	Unnayan Prochesta	Tala, Satkhira	20	80	20/2/17	02	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on Vermicompost production and hydroponic fodder cultivation 3. Market linkage activities

I. No.	Name of sub project on Technology	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
9	Extension of high yielding Barhi date cultivation	Unnayan Prochesta	Tala, Satkhira	1	0	20/2/17	02	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on Barhi date cultivation
10	Extension of Fish drier and organic processing of safe dried fish production.	Coast Trust	Cox'sbazar	23	46	20/2/17	02	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on Fish drier technology
11	Extension of high yielding Barhi date cultivation	Young Power in Social Action (YPSA)	Sitakundu,	1	0	19/6/17	02	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on Barhi date cultivation
12	Extension of high yielding Barhi date cultivation	Family Development Association (FDA)	Char fashon, Bhola	1	0	26/2/17	02	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on Barhi date cultivation
13	Extension of high value fruit (Dragon) cultivation technology	SSS	Tangile	19	1	19/6/17	03	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on dragon fruit cultivation
14	Extension of Black pepper Jinger, and Turmeric cultivation technology in the	OPCA	Fatikchori and MirsoriUpazila of Chittagong	1000	200	19/6/17	03	1. Provide technical training to the entrepreneurs. 2. Establish demonstration plot on



I. No.	Name of sub project on Technology	Implementing PO	Working areas	Number of project participants		Date of commencement	Duration of the project (Years)	Major activities
				Male	Female			
	same land		district					Black pepper Jinger, and Turmeric cultivation technology
15	Extension of slate method for sheep rearing	DBS	Mujibnagar	370	130	6/7/17	02	<ol style="list-style-type: none"> <li>1. Provide technical training to the entrepreneurs.</li> <li>2. Establish demonstration farm on slate method</li> </ol>
16	Expansion of cultivation technology of high value fruits and crops	Ghashful	Hathazari, Chattagram	138	12	19/11/2017	03	<ol style="list-style-type: none"> <li>1. Provide technical training to the entrepreneurs.</li> <li>2. Establish demonstration plot of different high value fruits and crops.</li> </ol>

### 3.3.4 Subsector studies and technical feasibility studies:

Subsector studies and technical feasibility studies are being conducted under the project to identify constraints and possible solution to the constraints identified in any potential economic sub-sectors. Following 14 studies have been conducted.

Sl. No.	Name of the study	Category	Completion status
1.	Subsector study on mixed cultivation of Prawn-Carp opportunities, constraints and possible interventions	Sub-sector study	Completed
2.	Subsector study on small scale fish feed mill establishment opportunities, constraints and possible interventions	„	Completed
3.	Subsector study on private sector artificial insemination services for livestock development in Bangladesh: causes of limited expansion and possible interventions	„	Completed
4.	Study on export potential and alternative use of seaweed	„	Completed
5.	Study on value chain analysis (problem, challenges, opportunity and possible solution) of medicinal plants in Bangladesh.	„	Completed
6.	Study on demand for common services in micro shoe enterprises	„	Completed
7.	Subsector Study on Indigenous Poultry Farming in Bangladesh: prospects of commercialization	„	Completed
8.	Study on Physico-Chemical parameters and plankton population of Halda river	„	Completed
9.	Comparative cost analysis between crab fattening by collecting small crabs from natural source and	„	Ongoing
10.	Technical feasibility study on cultivation and processing of Isabgol in Bangladesh	Technical feasibility	Completed
11.	Technical feasibility study on extension of Nandini (Lisianthus) flower cultivation in Bangladesh	„	Completed
12.	Study on determination on reducing production cycle and increasing productivity of Jamdani Sarees in Bangladesh	„	Completed
13.	Study on feasibility and cost benefit analysis on small scale honey processing plant installment in different parts of Bangladesh	„	Completed
14.	Study on free range management system of Char land buffalo rearing	„	Completed

## 4. Project Management:

**4.1 Project staffing:** A Project management unit (PMU) established in PKSF Building is now fully equipped with required project officials and staff. Currently 25 project officials under the supervision of the Project Coordinator are performing their assigned responsibilities to attain the project goal and objectives.

The list of staff of the PACE project is given below:

Sl no.	Name	Designation
1.	Mr. Akond Md. Rafiqul Islam	Project Coordinator, PACE Project & General Manager (Program), PKSF
2.	Mr. Md. Habibur Rahman	Value chain supervisor, PACE Project & Manager (Program), PKSF
3.	Mr. Md. Manir Hossain	Value chain project Manager, PACE Project & Manager (Program), PKSF
4.	Mr. Musharraf Hossain	Value chain Supervisor, PACE Project & Manager (Program), PKSF
5.	Ms. Mahmuda Morshed	Value chain Project Manager, PACE Project & Deputy Manager (Program), PKSF
6.	Mr. Moznu Sarkar	VC Project Manager, PACE Project & Deputy Manager (Program), PKSF
7.	Mr. Md. Mahamudur Rahman	Deputy Manager (Technology and Product Adaptation) & Assistant Manager (Program), PKSF
8.	Mr. Kazi Abul Hasnat	Value Chain Manager, PACE project & Deputy Manager (Program), PKSF
9.	Dr. S. M. Faruk-Ul-Alam	Value chain specialist, PACE Project (farm sector)
10.	Mr. Md. Rafizul Islam Mondol	Value Chain Specialist, PACE Project (non-farm)
11.	Mr. S M Niaz Mahmud	Value Chain Specialist, PACE Project (non-farm)
12.	Mr. Md. Mohidul Islam	Financial Analyst, PACE Project
13.	Mr. A B M Al Jaber Hirok	Procurement Specialist, PACE Project
14.	Mr. Mohammad Mizanur Rahman	M&E and KM Specialist
15.	Mr. Md. Sheikh Zahed Al Nayon	Assistant Manager (New Product Piloting)
16.	Mr. Shaikh Nazrul Islam	Value chain Project Manager, PACE Project
17.	Ms. Shanchita Islam	Value chain Project Manager, PACE Project
18.	Mr. Md. Masum Sharkar	Value chain Project Manager, PACE Project

19.	Mr. Md. Motiur Rahman	Value chain Project Manager, PACE Project
20.	Mr. Al Imran	Value chain Project Manager, PACE Project
21.	Mr. Md. Earfan Ali	Value chain Project Manager, PACE Project
22.	Mr. H M Anowarul Islam	Accounts Officer, PACE Project
23.	Mr. Abu Saleh Mohammad Rajib	Accounts Officer, PACE Project
24.	Mr. Zahirul Hoque	Driver, PACE Project
25.	Mr. Md. Hasan	Driver, PACE Project

In addition to the above mentioned PMU staff, PACE recruited following staff under the activity: Establishment of e-Platform;

1.	Mr. Sajal Kumar Dhali	IT Specialist
2.	Ms. Farhana Haque Ovi	Communication Officer

The Project Management Unit (PMU) has prepared all necessary work plan and strategies to implement the project smoothly. It regularly prepares AWPB, PP, Half yearly and Annual Progress Reports. The M&E system of the project has been designed in a way so that it can generate all required reports and statement to provide all information according to the logframe indicators of the project. The field level project monitoring is being done on regular basis through field visits and offsite monitoring system. The progress of activities and events organized under the project are published regularly in newsletters, annual reports and website of PKSf regularly. High officials of PKSf also visit project areas to observe the project performance. The Midterm Impact Study of the project has been started. The impact study will be completed by June 2018. A consulting firm named DTCL is conducting the study.

News of the events organized under the project and the progress of the project implementation are being published in PKSf's newsletter and websites on a regular basis.

## 4.2 Some important events held during July to December 2017:

### i) Workshop on Policy Analysis for Value Chain Interventions

A workshop on Policy Analysis for Value Chain Interventions was held on 4 December 2017 at PKSf. PKSf and Edge Consulting Limited jointly organized the workshop to share findings of a study conducted on policy environment for scaling up



pro-poor value chain interventions. Dr. Qazi Kholiquzzaman Ahmad, Chairman of PKSF attended the workshop as the Chief Guest while Ms. Sultana Afroz, Additional Secretary, Economic Relations Division (ERD) of Ministry of Finance attended the workshop as Special Guest. Mr. Md. Abdul Karim, Managing Director of PKSF presided over the opening session of the workshop. About 50 officers from different government, non-governmental, national and international development organizations participated in the workshop. Mr. Khairul Islam, Chief Executive Officer of Edge Consulting Limited gave a presentation on a study conducted on the topic under an IFAD supported project titled ‘Regional Training Network for Scaling up Pro-poor Value Chains’ implemented by HELVETAS Vietnam. Mr. Fazlul Kader, Deputy Managing Director (Programme) of PKSF moderated the open discussion session of the workshop. The speakers focused on the importance of taking concerted efforts of different development organizations both from public and private sectors to promote micro and small enterprises through value chain and market system development approach. The workshop also emphasized on the best possible use and practice of existing policies related to enterprise development for promoting small and microenterprises in the country.

ii) Workshop on Marketing and Branding of Honey

A workshop titled Marketing and Branding of Honey was organized on 7 November 2017 at PKSF. The workshop was organized under the ongoing value chain sub-project titled ‘Increasing Income of Bee keepers through the Production and Marketing of Honey’, which is being implemented by ‘BASA’ a partner organization of PKSF. The workshop was presided over by Mr. Md. Fazlul Kader, Deputy Managing Director (Programme) of PKSF. A total of 40 officers and representatives of different organization involved with honey production and marketing participated in the workshop. The workshop recommended taking different initiatives for the promotion of this sector. Officials of PKSF including Project Coordinator of PACE project Dr. Akond Md. Rafiqul Islam, General Manager (Programme) also attended the workshop.



iii) Sub-sector Studies

PACE project has been conducting sub-sector studies to identify constraints, prospects and possible intervention in order to promote different potential economic sub-sectors. In October-December quarter of 2017, reports of two such studies were presented at PKSF. The studies are 1) Sub-sector study on Indigenous Poultry Farming in Bangladesh: Prospects of Commercialization, and 2) study on Physico-Chemical Parameters and Plankton Population of



Halda River. The concerned consultants presented their reports in two separate meetings chaired by Mr. Md. Fazlul kader, Deputy Managing Director (Programme) of PKSF. The study on indigenous poultry was conducted by Dr. Sachchinanda Das Chowdhury while the study on Halda River was carried out by Professor Monzurul Kibria.

iv) IFAD Executive Board members visited Bangladesh

A 20-member high level team of IFAD including the members of IFAD Executive Board visited Bangladesh from 25-30 November 2017. This visit was organized as part of celebrating 40 years of IFAD cooperation in Bangladesh. During the program, the team visited activities of different IFAD funded projects at the field and attended meeting with government and other concerned organizations. The IFAD team visited activities of microentrepreneurs in Sylhet who received financial services through PKSF's partner organizations FIVDB and TMSS. Project Coordinator of PACE project Dr. Akond Md. Rafiqul Islam, General Manager (Programme) accompanied the IFAD team during the visit. Dr. Akond Md. Rafiqul Islam gave a presentation on the progress of PACE project in a workshop organized at Pan pacific Sonargaon Hotel to discuss the progress of IFAD funded projects in Bangladesh. Mr. Md. Fazlul Kader, Deputy Managing Director (Programme) of PKSF took part in the discussion as a panel discussant.

Mr. Md. Abdul Karim, Managing Director of PKSF and Project Coordinator of PACE project

Dr. Akond Md. Rafiqul Islam, General Manager (Programme) of PKSF attended a policy dialogue titled "Achieving SDGs: Agriculture and Food Security in Bangladesh" jointly organized by Economic Relations Division (ERD) and IFAD on 30 November 2017. Honourable Finance Minister, Mr. Abul Maal Abdul Muhit was present at the event as the Chief Guest. The meeting



chaired by the Secretary of ERD, lauded PKSF for its capability to implement multi-dimensional development projects. Members of IFAD Executive Board had a meeting with senior officials of PKSF on 30 November 2017 afternoon. Managing Director of PKSF presided over the meeting. Senior officers (General Manager and above) of PKSF attended the meeting. Deputy Managing Director (Programme) gave a presentation on PKSF's activities in the meeting. Executive Board members of IFAD expressed their satisfaction over the progress of PACE project funded by IFAD.

v) Supervision Mission of IFAD

IFAD Supervision Mission evaluated the progress of PACE project from 16 to 27 November 2017. A seven-member team led by Mr. Marc De Sousa evaluated the activities of PACE project at office and field level. It was the 4th Supervision Mission of IFAD for PACE project. Supervision Mission visited microenterprise and value chain activities in different places of



Kishoreganj, Tangail and Dhaka districts. Supervision Mission expressed satisfaction over the progress of PACE project. The wrap-up meeting of the mission was held on 26 October 2017 at Financial Institutions Division of Ministry of Finance. The meeting was presided over by Mr. Arijit Chowdhury, Additional Secretary of Financial Institutions Division, Ministry of Finance. Mr. Md Fazlul Kader, Deputy Managing Director (Programme) and Dr. Akond Md. Rafiqul Islam attended the meeting on behalf of PKSF.

#### 4.4 Knowledge Management documents and Media coverage of PACE project

Different types of communication material has been developed and disseminated within this period. Project Booklet and project factsheet has been developed and disseminated among project participants, partner organizations, other networks and local stakeholders. In the booklet and factsheet a brief description of project, project components, targets, budget and project management has been described. In the publication materials, the official IFAD logo has been printed. Through these disseminations, the visibility of IFAD and project up to beneficiaries has been secured. Booklets of sub-projects of PACE project has been developed and disseminated among various stakeholders. These booklets contains contents of brief description of sub-project, project targets, and benefits of the projects, project participants and budget. In all of the



published booklets official logo of IFAD has been printed as funding source of project.

Different types of awareness raising materials were developed in different sub-projects under PACE project and disseminated among project participants. The materials were published mostly as booklet, leaflet and health card. The

Photo-3: Booklets of different Sub-Projects





fattening management system, organic dry fish technology, safe vegetable cultivation method/procedure, calf feeding management, dietary plan for calf and cow, imitation jewellery design book etc. News coverage was published in print and electronic media simultaneously some of the snaps are displayed below. The news was published in national daily as well as in local newspaper and the content are mostly on newly taken initiatives under the PACE project. In the news it was mentioned that the project has been supported by IFAD.



Photo-4: News c

### Aromatic paddy of Bhola going to Malaysia

Published : Saturday, 6 January, 2018 at 12:00 AM Count : 141

Our Correspondent



Post A+ A- A

BHOLA, Jan 5: The aromatic paddy produced here is being exported to Malaysia. The local farmers achieved bumper production of aromatic paddy BRII-34 this year. They are also very happy getting fair price. They are becoming interested in cultivating this paddy commercially as insects do not attack it. During a spot visit, it was informed that around 8,000 farmers cultivated the aromatic BRII-34 paddy on 360 hectares of land in Sadar, Daulatkhan, Lalmoan and Char Fasson upazilas of the district. At first, they were not so interested, but after getting the bumper yield, happiness is prevailing in them. They are selling the paddy at Tk 1,100 per mannd. More profit at less cost has made them interested. Mohammad Kamal, Shahjahan Ali and Habibur Rahman- farmers of Sadar Upazila said, "We cultivated BRII-34 in 80 per cent of our lands. In previous years, wealthy farmers only cultivated different aromatic paddies like Katari, Kaloni and Nenia varieties in limited extent. But, the BRII-34 paddy is not only aromatic but its price is also the highest in the market." International Agricultural Development Fund is supporting the 8,000 farmers by proving seeds, suggestions and marketing facilities with assistance of Palli Karma Sahayak Foundation. Mohammad Mizan, Sharif and Mohammad Hannan- farmers of Bheduria Union in the upazila said, "We did not get profit from cultivating the BRII-34 paddy in the previous years, but this year we got 30 to 32 maunds of BRII-34 paddy with the help of Gramreen Jana Umanay Sanggita. The Malaysian wholesalers bought the paddy at Tk 1,100 per mannd. So, we will cultivate the paddy next year." General Manager of Palli Karma Sahayak Foundation Dr. Akond Mohammad Rafiqul Islam said, "We are providing seeds and training to the farmers to cultivate the aromatic paddy. As a result, the farmers are getting more prices along with bumper production. We hope that a large number of farmers will cultivate the paddy in future." Deputy Director of the Department of Agriculture Extension here Proshanta Kumar Shaha said, "This variety of paddy can be produced in less fertile land, and the production cost is low. Many farmers are becoming successful after cultivating the paddy commercially."

Photo-3: IEC material (Booklet, Health card, leaflet)

ddy



Photo-6: News on Maung bean

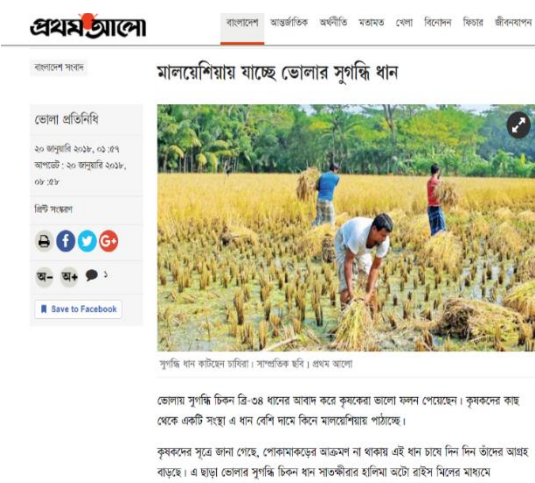


Photo-7: News on Aromatic Paddy

Different prominent Bangladeshi TV channel i.e. Desh TV, DBC News and channel 24 telecasted coverage on different value chain sub-projects success. The contents of coverage was on export of mung bean in Japan, export of aromatic rice in Malaysia, crab culture etc.



Photo-8: News on women entrepreneurship development through embroidery work in channel 24



Photo-9: News on Mung bean export in Japan in channel I



Photo-10: News on export of aromatic rice in Malaysia in DBC news



Photo-11: News on export of aromatic rice in Malaysia in Desh TV channel

All of the news was posted and widely disseminated through social media by using PACE project Facebook page named PACE-PKSF (link-<https://www.facebook.com/PACE-PKSF-1622030848091966/>).

An YouTube channel has been developed (link-[https://www.youtube.com/watch?v=uICY\\_eWvsZE&list=PL3qHnvLDm3WIDPiX4uMoKXD4HfpY0d22n](https://www.youtube.com/watch?v=uICY_eWvsZE&list=PL3qHnvLDm3WIDPiX4uMoKXD4HfpY0d22n)) where video documentary of value chain sub-projects has been uploaded.

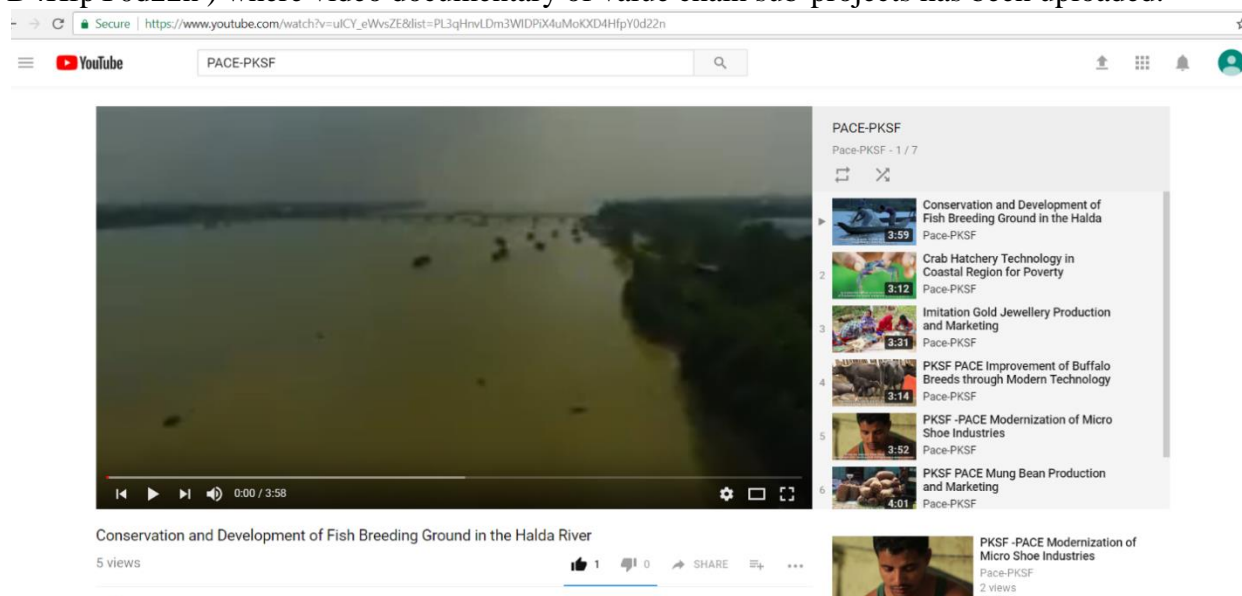


Photo-12: Snapshot of YouTube

Through these disseminations in Facebook, YouTube, electronic and print media, the visibility of IFAD up to project participants has been wide-open. Apart from these actions, the project team has ensured to provide proper information about the funding source to all stakeholders during the meetings, workshop and trainings with proper logo in banners.

## 5. Progress of the project as per logframe indicators:

### Component 1: Financial Services for Microenterprises

Design summary	Performance targets and indicators	Monitoring mechanism & information sources	Progress up to December 2017
<p><b>Project Goal:</b> Enhance livelihoods (higher income from self-employment, business profit and wage employment, and food security) of the moderate and extreme poor (men and women) in a sustainable manner.</p>	<ul style="list-style-type: none"> <li>• 60% households reporting improvements in household asset ownership index</li> <li>• 50% increase in income of 70% participating moderate and extreme poor households from farm, non-farm and service type businesses and wage employment</li> </ul>	<p>Impact surveys of households at baseline, mid- term and completion, qualitative (PRA) assessment of participating HHs and quantitative assessment (profitability analysis) of microenterprises</p>	<ul style="list-style-type: none"> <li>• The information will be available after conducting mid term survey and final impact survey.</li> </ul>
<p><b>Development objective:</b> Increase sales and incomes from existing and new microenterprises, and create new wage employment opportunities for extreme and moderate poor people.</p>	<ul style="list-style-type: none"> <li>• 70% existing microenterprises have increased combined sales by 50% after receiving project credit and technical support</li> <li>• 70% of newly included enterprises (out of which 50% are owned by women) are profitable 3 years after receiving support new wage employment positions created through project activities and taken up by moderately and extremely poor people (of which 10% are women).</li> </ul>	<p>PACE project annual assessment report on business expansion and employment creation impact assessments PRA assessments</p>	<ul style="list-style-type: none"> <li>• The information will be available after conducting mid term survey and final impact survey</li> </ul>

<p><b>Outcome 1:</b> Sustainable financial services for MEs (farm, off-farm, trading and service sectors) expanded.</p>	<ul style="list-style-type: none"> <li>• PKSF's portfolio in ME program increases at least by Taka 3,200 million.</li> <li>• POs' portfolio in ME loan program increases by Taka 5,600 million.</li> </ul>	<p>PKSF's program/financial reports POs program/financial reports PACE project report</p>	<p>The cumulative net disbursement of the microenterprise loan up to December 2017 is BDT 4724.71million. The project has already achieved 148% of the project's total target of net loan disbursement of BDT 3200.00 million. POs' portfolio to borrowers increased by BDT 54816.93 million, which is 979% of the target.</p>
<p><b>Outputs:</b></p> <ol style="list-style-type: none"> <li>4. Expansion of on-going loan program for MEs in all sectors</li> <li>5. Piloting of new loan products</li> <li>6. Capacity building of PKSF and POs</li> </ol>	<ul style="list-style-type: none"> <li>• Increase in number of ME borrowers by 102,000.</li> <li>• Cumulative loan disbursement to additional project borrowers Taka 61,200 million;</li> <li>• Number of new product piloted: 2-3;</li> <li>• 125 PKSF, 250 PO officers trained</li> </ul>	<p>Reports from PKSF and POs Project MIS Independent assessment of microenterprise loan program and performance of pilot products Training assessment report</p>	<p>7,04,516 additional micro entrepreneurs included (691%).</p> <p>Cumulative loan disbursement to borrowers BDT 3,47,265.41 million (567%)</p> <p>2 products are being piloted</p> <p>100 officials of PKSF and 260 officials of different POs received training (achievement 96%)</p>

## Component-2: Value chain development

Design Summary	Performance targets and indicators	Monitoring Mechanism & information Sources	Progress up to December 2017
<p><b>Outcome2:</b> Sustainable inclusion of MEs and businesses in value chains in agriculture, off-farm and service sectors to up-scale business, production technologies, and enhance access to markets.</p>	<ul style="list-style-type: none"> <li>• Taka 9000 million increase in cumulative sales of participating businesses (farm and non-farm sectors) in value chains</li> <li>• 50% of microenterprises (out of 300000 beneficiaries of value chain subprojects) operating 3 years after the support received from the project</li> </ul>	<p>Impact assessment of value chains Project reports and MIS impact assessment Case studies</p>	<p>So far 43 VC sub-projects have been taken. The VC sub-projects have the duration of 3-4 years. Most of the VC sub projects have passed 2- 2.5 years. We have to wait at least 1.5 years more to have the information of sales. Information about three years operations of ME will also be available after passing 3 years of the VC sub-projects.</p>
<p><b>Outputs:</b></p> <ol style="list-style-type: none"> <li>1. MEs and agri-businesses sustainably included in agricultural value chains in various parts of the country</li> <li>2. MEs sustainably included in value chain for non-farm manufacturing, processing and service products or group of products</li> <li>3. Capacity of PKSf and POs enhanced to formulate and manage large scale value chain subprojects and identify opportunities for partnership with the private business sector for microenterprises</li> <li>4. Capacity of PKSf, POs and microenterprises to identify, advocate and strengthen pro-poor business policies, especially sector specific policies, enhanced</li> </ol>	<ul style="list-style-type: none"> <li>• 10,000 acres of additional land brought under production of selected VCs, 50% increase in poultry birds and livestock of beneficiaries of VCD subprojects</li> <li>• VC development activities in 15 agricultural and non-farm subsectors</li> <li>• 5,000 agricultural and 2,500 non-farm MEs linked with larger firms as suppliers and contract growers</li> <li>• 200,000 agricultural and 50,000 non-farm micro-entrepreneurs trained</li> <li>• 200,000 MEs adopted new technologies</li> <li>• 10,000 Local service providers (farm and non-farm sectors) strengthened in VCs</li> <li>• 50 PKSf/GoB and 200 POs officials trained on VC project design and management</li> </ul>	<p>Impact assessment of value chains  Project reports and MIS Case studies</p>	<p>4357 acres of additional land is brought under production in VC projects. The number of poultry and livestock has already been increased. The information will be available after the Mid-term Impact Study.</p> <p>PACE project is implementing VCD projects in 15 agricultural and 11 non-farm subsectors.</p> <p>8,496 agricultural and 1,951 non-farm MEs are linked with larger firms as suppliers and contract growers.</p> <p>55,327 agricultural and 3,613 non-farm micro-entrepreneurs trained</p> <p>39,382 MEs adopted new technologies</p> <p>1,148 Local service providers (farm and non-farm sectors) strengthened in VCs</p> <p>50 PKSf/GoB and 201POs officials trained on VC project design and management</p>

Design Summary	Performance targets and indicators	Monitoring Mechanism & information Sources	Progress up to December 2017
5. Electronic platform	<ul style="list-style-type: none"> <li>• 80 PKSf/PO officials are trained on preventing environmental degradation and improving conditions in work place</li> <li>• 5 policy papers written and submitted and 5 dialogue activities held.</li> <li>• 100 PKSf, GOB and POs officials trained business/sector policy analysis and advocacy.</li> <li>• Electronic platform established</li> </ul>		<p>88 PKSf/PO officials are trained on preventing environmental degradation and improving conditions in work place</p> <p>Process of recruiting 3 consultants have been started for preparing 3 policy papers. After preparing the policy papers, policy dialogue will be organized.</p> <p>20 PKSf, GOB and POs officials trained on business/sector policy analysis and advocacy. Remaining training courses will be organized during January to June 2017</p> <p>To establish electronic platform three consultants/consulting firms have been recruited. One consulting firm is now working for developing web portal that contains three modules, while another consulting firm is working on customization of e-commerce services for displaying and branding ME products. Beside, an individual international consultant is working for strengthening result based monitoring.</p>

### Component 3: Technology and Product Adaptation

Design summary	Performance targets and indicators	Monitoring mechanism & information Sources	
<b>Outcome-3:</b> Proven technologies and products introduced to MEs	10 proven Technologies and products successfully introduced to Small Producers.	Independent assessment reports PACE reports	13 proven technologies have been transferred to the small producers. A total of 16 technology transfer sub projects have been taken for transferring technologies.

<p><b>Outputs:</b></p> <ol style="list-style-type: none"> <li>1. Resolution of technological problem identified under component-2</li> <li>2. Adaptation and dissemination of readily available technologies and products</li> <li>3. TA and studies</li> </ol>	<ul style="list-style-type: none"> <li>• 50000 MEs/farmers are trained</li> <li>• 10 subsector studies, 5 technical feasibility studies, 4 sector specific impact studies, organize 4 consulting advisory services for VCDs and 1 physical environment studies.</li> </ul>	<p>Independent assessment reports of technologies and product introduced</p> <p>PACE reports IFAD supervision reports Case studies</p>	<p>PACE has transferred 36 readily available technologies and products through VC sub-projects. Out of total 1,12,807 members, 32,350 members (MEs/farmers) have been trained on technologies. Additionally, a total of 3,123 project participants have been trained under 16 technology transfer sub-projects.</p> <p>8 sub-sector studies have been completed. 1 sub-sector study is now in progress.</p> <p>5 technical feasibility studies have been completed. No impact studies, consulting advisory services have been conducted. Environment study is in progress.</p>
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## 6. Financial progress of the project:

Amount in Thousand BDT  
(USD1=BDT 80)

<i>Components</i>	<i>Total Project Budget for 2015-2020 In BDT</i>	<i>Total Project Budget for 2015-2020 inUSD</i>	<i>Total project Budget Jul'17-June'18 In BDT</i>	<i>Total project Budget Jul'17-June'18inUSD</i>	<i>Total expenditure Jul'17-Dec'17 In BDT</i>	<i>Total expenditure Jul'17-Dec'17 In USD</i>	<i>Total Expenditure upto Dec'17 in BDT</i>	<i>Total Expenditure upto Dec'17inUSD</i>	<i>% of project fund for Jul'17-June'18</i>	<i>% of total project fund</i>
<b>Component - 1: Financial Services for Microenterprises</b>	5644750	70,559.38		7,931.88	10,000	19837.89	23339561	291745	80.39%	413%
<b>Component - 2: Value Chain Development</b>	1180675	14,758.44		2,870.73	70809	1350.694	234384	2930	24.97%	20%
<b>Component -3: Technology and Product Adaptation</b>	65175	814.69		460.56	2,855	39.36356	9047	113	11.24%	14%
<b>Component -4: Project Management</b>	366961	4,587.01		713.31	25,516	653.3319	155,798	1947	40.81%	42%
<b>Total</b>	<b>7257561</b>	<b>90,719.51</b>		11,976.48	<b>109,180</b>	21881.28	<b>23738790</b>	<b>296735</b>	28.44%	327%

## 6.1 Detailed Financial Progress

in BDT million

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
<b>Project Goal:</b> Enhance livelihoods (higher income from self employment, business profit and wage employment, and food security) of the moderate and extreme poor project participants (men and women) in a sustainable manner.		Improvements in household asset ownership index						
		Increase in income of 70% participating moderate and extreme poor households from farm, non-farm and service type businesses and wage employment						
<b>Development objective:</b> Improve profitable business opportunities for microentrepreneurs and create wage employment for		70% microentrepreneurs Increased sales						
		Fulltime equivalent wage employment created in microenterprises financed under microenterprise loan program and assisted under value chain development						

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
extreme and moderate poor people. [Project Target: Overall approximately 452,000 (245,000 women and 207,000 men) persons]		program.						
<b>Component 1: Financial services for micro enterprises</b>								
<b>Outcome 1:</b> Sustainable financial services for microenterprises (farm, off-farm, trading and service sectors) expanded.		PKSF's portfolio in microenterprise program increases (baseline: Taka 9551.858 million as of December 2014).						
		Overall, POs' portfolio in ME loan program increases (baseline: Taka 30243.09 million as of December 2014).						
		On an average, POs' portfolio for microenterprises increases (baseline: -----% as of December 2014).						

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
<b>OUTPUTS:</b>								
1.1 Expansion of on-going loan program for microenterprises in all sectors (agriculture, off-farm, trading and services)		a) Increase in number of microenterprise borrowers (Baseline: 647876 as of December 2014).						
		b) Cumulative loan disbursement to additional project borrowers.						
	II	c) Incremental ME Loan outstanding.	5607.000				23304.614	
1.2 Piloting of new loan products, e.g. start-up loan, lease financing, flexible repayment system (match with cash flow) etc	III	a) Number of new product studies.	1.000				0.774	
		b) Number of clients under new products.	0.000				0.000	
Capital funds for new loan products	II	amount disbursed**	30.000	10.000	10.000		30.000	
VAT on Studies	II	amount disbursed **	0.150				0.116	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
1.3 Capacity building of PKSf and POs in ME Management	III	a) PKSf Officers trained on enterprise management and promotion of private businesses	2.000	0.800			0.760	
	III	b) POs Officers trained on enterprise management and promotion of private businesses	4.000	0.340			2.599	
1.4 Capacity building of beneficiary MEs in ME Management	III	a) Beneficiary ME borrowers are technically trained on effective ME Management		1.200			0.575	
ME program review workshops	III	no. of workshops organized **	0.600	0.100			0.123	
<b>Total of component- 1</b>			<b>5644.750</b>	<b>12.440</b>	<b>10.000</b>	<b>80%</b>	<b>23339.561</b>	413%
<b>Component 2: Value Chain Development</b>								
<b>Outcome2:</b> Sustainable inclusion of microenterprises and businesses run by the poor and the ultra-poor in value chains in		By 2020: Increase in cumulative sales of participating businesses (farm and non-farm sectors) in value chains No. of microenterprises operating 3 years after the						

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
agriculture, off-farm and service sectors to up-scale business, production technologies, and enhance access to markets.		support received from the project						
<b>OUTPUTS:</b>		<b>By 2020:</b>						
2.1 Microenterprises and agri-businesses run by the poor/ultra-poor sustainably included in value chains for agricultural products or group of similar products in various parts of the country		a) Additional land brought under production of selected products or group of products, and increase in poultry birds and livestock in case of poultry and livestock sector						
	III	b) Value chain development activities are implemented in agricultural subsectors involving input suppliers, producers, traders, (in some cases processors, retailers, exporters) and service providers	730.000	172.245	45.841		171.386	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
		c) Microenterprises are linked with larger firms as suppliers and contract growers					0.000	
		d) Microentrepreneurs trained in management, marketing and market intelligence					0.000	
		e) Microenterprises adopted project recommended technologies					0.000	
2.2 Microenterprises sustainably included in value chain for non-farm manufacturing, processing and service products or group of products	III	a) Value chain development activities are implemented in non-farm subsectors involving input suppliers, producers, traders, (in some cases processors, retailers, exporters) and service providers	355.000	74.700	24.723		43.051	
		b) Microentrepreneurs are trained in marketing, production and management issues.					0.000	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
		c) Persons (workforce) trained in various skills to produce selected products or group of products					0.000	
		d) Microenterprises are linked with larger firms as suppliers and sub-contractors					0.000	
		e) Local service providers (farm and non-farm sectors) strengthened in each selected VC to ensure the sustainable support to microenterprises and businesses run by the poor/ultra-poor					0.000	
2.3 Capacity of PKSF and POs enhanced to formulate and	III	a) PKSF/GoB and POs officials trained on VC project design and management	4.000	0.400			1.905	



Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
manage large scale value chain subprojects and identify opportunities for partnership with the private business sector for microenterprises	III	b) PKSF/GOB/POs officials are given overseas exposure visits on value chain development projects, technologies and management systems for dissemination in Bangladesh	24.000	3.000	0.028		16.008	
	III	c) PKSF/PO officials are trained on preventing environmental degradation and improving conditions in work place	1.600				0.782	
2.4 Capacity of PKSF, POs and microenterprises to identify, advocate and strengthen pro-poor business policies, especially sector specific policies, enhanced	III	a) Policy issues identified, policy papers written and submitted to relevant authorities	2.500	2.500	0.125		0.125	
	III	b) Policy dialogue among national stakeholders is promoted (e.g. seminars)	0.500	0.500			0.000	
	III	c) PKSF, GOB and POs officials trained business/sector policy analysis and advocacy	2.000	1.200			0.418	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
	III	d) Microenterprises are supported to enable them to participate in policy dialogue					0.000	
2.5 Establishment of an E-knowledge Window for farmers training with good knowledge management products to disseminate success and experiences gained through implementing three interrelated components of the project		Technologically functional and sustainable E-knowledge Window established	28.800	11.775	0.075		0.075	
2.6 Strengthening Results based Monitoring		Capacity of PKSf and POs enhanced in the area of M&E and Knowledge Management of the micro-enterprises		7.850			0.000	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
2.7 Support to provide access to e-market services to rural micro-entrepreneurs		Establishment of e-platform dedicated to the micro-enterprises (MEs) products in close collaboration with existing e-platform service providers		8.635			0.000	
Regional VCD workshops	III	no. of workshops organized **	1.000	0.200			0.543	
Annual review workshops of VCD projects	III	no. of review workshops organized **	0.900	0.150			0.073	
VAT on item 2 preparation of policy papers			0.375	0.375	0.017		0.017	
Unallocated			30.000				0.000	
<b>Total of component- 2</b>			<b>1180.675</b>	<b>283.530</b>	<b>70.80942525</b>	<b>25%</b>	<b>234.38396825</b>	<b>20%</b>
<b>Component 3: Technology and product adaptation</b>								
<b>Outcome 3:</b> Proven technologies and products (agricultural and off-farm) from Bangladeshi and		Technologies and products successfully introduced to small producers						

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
international sources introduced to microentrepreneurs.								
<b>OUTPUTS:</b>		<b>By 2020:</b>						
3.1 Resolution of technological problems identified under Component 2	III	a) Problems identified, research conducted and solutions disseminated	6.000	4.300			0.000	
	III	b) Seminars organized					0.000	
3.2 Adaptation and dissemination of readily available technologies and products	III	a) Agricultural products and technologies identified, adaptive research conducted and introduced to small producers;					0.000	
	III	b) Microentrepreneurs/farmers are trained on production technologies					0.000	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
	III	c) Off-farm products and technologies identified, adaptive research conducted and introduced to small producers					0.000	
Technology transfer and products adaptation within Bangladesh	III	no. of technology transfer and products adaptation **	30.000	6.000	1.221		1.847	
Technology transfer and products adaptation outside Bangladesh	III	no. of technology transfer and products adaptation **	12.500	2.500	0.166		2.666	
3.3 Technical assistance and studies	III	a) PKSF recruits TA providers (Bangladesh and foreign) to assist VCs					0.000	
	III	b) Conduct subsector, technical feasibility, impact assessment and other studies					0.000	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
Subsector studies (agri, non-farm, services)	III	no. of study conducted**	3.000	2.450	0.800		1.574	
Technical feasibility studies	III	no. of study conducted**	2.500	1.500	0.435		2.291	
Consulting/advisory services for VCD projects (national & foreign)	III	no. of study conducted**	4.000	4.000			0.043	
Overall sectoral VCD project impact studies	III	no. of study conducted**	4.000	2.000			0.000	
Physical enviroment (waste management)	III	no. of study conducted**	1.000	1.000	0.042		0.042	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
VAT on sub-sector studies, technical feasibilities studies, consulting/advisory services, vcd impact studies and environment studies)			2.175	1.643	0.191		0.584	
<b>Total of component-3</b>			<b>65.175</b>	<b>25.393</b>	<b>2.855</b>	<b>11%</b>	<b>9.047</b>	14%
<b>Component 4: Project Management.</b>							0.000	#DIV/0!
A. Office equipment							0.000	#DIV/0!
1. Laptop with modem	I	no. of equipment **	1.760				1.815	
2. Scanner	I	no. of equipment **	0.035				0.031	
3. Audio Recorder-1 & High Resolution Camera-1	I	no. of equipment **	0.275				0.261	
4. Computer printer	I	no. of equipment **	0.140				0.137	
6. Cell phones	I	no. of equipment **	0.330	0.050			0.119	
7. Office furniture	I	no. of equipment **	1.100				0.558	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
9. VAT on PMU office equipment			0.102				0.118	
10. VAT on PMU office furniture			0.044				0.039	
Sub-total			3.786	0.050			3.079	
B. Vehicles							0.000	
1. Vehicles (Jeep-1, Microbus-1)	I	no. of vehicle**	10.000				9.937	
2. Taxes for Vehicle			10.000				1.666	
Sub-total			20.000				11.603	
C. Monitoring, evaluation and impact assessment							0.000	
1. Project start-up workshop	III	no. of study conducted**	0.600				0.570	
2. Baseline survey	III	no. of study conducted**	2.000				2.599	
3. Mid-term impact study	III	no. of study conducted**	3.000	3.000			0.000	
4. Final impact assessment	III	no. of study conducted**	3.000				0.000	
5. KM and advocacy products	III	no. of study conducted**	1.200	0.400	0.010		0.176	



Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
6. External audit	III	no. of study conducted**	0.600	0.100			0.250	
7. PCR preparation by PKSf	III	no. of study conducted**	1.500				0.000	
8. VAT on items 2 to 7 (15% of total)			1.695	0.525	0.002		0.417	
Sub-total			13.595	4.025	0.012		4.012	
D. Personel-PMU-PKSf							0.000	
Project Coordinator-01	IV	no. of person employed**	14.400	3.000			0.000	
Assistant Manager-01 (New Product Piloting-IFAD contribution)	IV	no. of person employed**	4.320	0.900			0.000	
VC Project Supervisor- 02	IV	no. of person employed**	14.400	3.300			0.000	
VC Project Manager (Assistant Manager)- 10	IV	no. of person employed**	43.200	10.000			0.000	
Assistant Manager - 01 (Technology and Product Adaptation)	IV	no. of person employed**	4.320	1.100			0.000	
VC Specialist- 02 (off -farm/service	IV	no. of person employed**	36.000	5.400			0.000	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
sector)								
VC Specialist- 01 (agribusiness)	IV	no. of person employed**	18.000	2.500			0.000	
Procurement Specialist/ Admin/ Logistic- 01	IV	no. of person employed**	8.640	1.300			0.000	
M&E and KM specialist- 01	IV	no. of person employed**	8.640	1.300			0.000	
Financial Analyst (Planning & Budgeting) - 01	IV	no. of person employed**	8.640	1.300			0.000	
Accounts Officer- 02	IV	no. of person employed**	7.200	1.300			0.000	
Driver- 02	IV	no. of person employed**	3.600	0.600			0.000	
Sub-total			171.360	32.000	15.203		74.127704	
E. PKSf's personnel contribution in ME Program and support services							0.000	
Panel Supervisors- 02	IV	no. of person employed**	28.800	4.200			0.000	
Desk Officers- 08	IV	no. of person employed**	34.560	7.200			0.000	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
Support Services (Accounts)- 01	IV	no. of person employed**	4.320	0.900			0.000	
Support Services (Admin)- 01	IV	no. of person employed**	4.320	0.900			0.000	
Support Services (Training)- 01	IV	no. of person employed**	4.320	1.000			0.000	
Support Services (MIS)- 01	IV	no. of person employed**	4.320	0.900			0.000	
Support Services (IT)- 01	IV	no. of person employed**	4.320	1.300			0.000	
Support Services (Logistics)- 01	IV	no. of person employed**	4.320	1.000			0.000	
Support Services (Audit)- 01	IV	no. of person employed**	4.320	0.900			0.000	
Sub-total			93.600	18.300	7.225		46.366706	
F. TA/DA							0.000	
1. PMU (IFAD contribution)	III	amount spent**	29.676	2.500	0.426		3.445	
2. PKSf's contribution	III	amount spent**	6.900	0.500	0.027		0.707	
Sub-total			36.576	3.000	0.453		4.152	
G. Rent and utilities (PKSF contribution)	V	amount spent**	12.000	2.200	1.067		6.063	

Description of activities	Loan Category	Logframe indicators	Budget Project Total	FY: 17-18			Cumulative upto Dec 17	
				Budget	Expenditure	% acheived of the FY	Cumulative Expenditure upto Dec 17	% acheived of the total
H. Vehicle O&M (IFAD)	V	amount spent**	4.800	1.200	0.453		2.149	
I. Meetings costs (IFAD)	V	amount spent**	1.620	0.250	0.104		0.529	
J. Cellphone operations/ Internet (IFAD)	V	amount spent**	3.024	0.500	0.159		0.879	
K. Stationaries/ Printing/ Comunication/ Misc. (IFAD)	V	amount spent**	6.600	1.000	0.841		2.839	
Sub-Total			28.044	5.150	2.624		12.459	
<b>Total of component- 4</b>			<b>366.961</b>	<b>62.525</b>	<b>25.516</b>	<b>41%</b>	<b>155.798</b>	<b>42%</b>
<b>Total</b>			<b>7257.561</b>	<b>383.888</b>	<b>109.181</b>	<b>28%</b>	<b>23738.790</b>	<b>327%</b>
<b>Physical and price contingencies</b>			170.599					
<b>Grand total</b>			7428.160					

## 7. Physical progress measured against AWPB

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achievement of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
<b>Project Goal:</b> Enhance livelihoods (higher income from self employment, business profit and wage employment, and food security) of the moderate and extreme poor project participants (men and women) in a sustainable manner.		Improvements in household asset ownership index	By 2020: 60% households	Too early				
		Increase in income of 70% participating moderate and extreme poor households from farm, non-farm and service type businesses and wage employment	By 2020: 50%	Too early				

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
<b>Development objective:</b> Improve profitable business opportunities for microentrepreneurs and create wage employment for extreme and moderate poor people. [Project Target: Overall approximately 452,000 (245,000 women and 207,000 men) persons]		70% microentrepreneurs Increased sales	By 2020: 50%	Too early				
		Fulltime equivalent wage employment created in microenterprises financed under microenterprise loan program and assisted under value chain development program.	By 2020: 13000	Too early				
<b>Component 1: Financial services for micro enterprises</b>								

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
<b>Outcome 1:</b> Sustainable financial services for microenterprises (farm, off-farm, trading and service sectors) expanded.		PKSF's portfolio in microenterprise program increases (baseline: Taka 9551.858 million as of December 2014).	By 2020: at least by Taka 3200 million		USD 11.67 and BDT 933.83		USD 59.06 and BDT 4724.71	148%
		Overall, POs' portfolio in ME loan program increases (baseline: Taka 30243.09 million as of December 2014).	By 2020: Taka 5600 million		USD 199.23 and BDT 15938.64		USD 685.21 and BDT 54816.93	979%
		On an average, POs' portfolio for microenterprises increases (baseline: ----- % as of December 2014).	By 2020: 25%				979%	979%
<b>OUTPUTS:</b>			<b>By 2020:</b>					
1.1 Expansion of on-going loan program for microenterprises in all sectors		a) Increase in number of microenterprise borrowers (Baseline: 647876 as of December	102000 microenterprise borrowers		168959		704566	691%

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
(agriculture, off-farm, trading and services)		2014).						
		b) Cumulative loan disbursement to additional project borrowers.	Taka 61200 million		106738.55		USD 4340.82 and BDT 347265.41	567%
	II	c) Incremental ME Loan outstanding.	Taka 5600 million		15938.64		USD 685.21 and BDT 54816.93	979%
1.2 Piloting of new loan products, e.g. start-up loan, lease financing, flexible repayment system (match with cash flow) etc	III	a) Number of new product studies.	2-3 new product				2	100
		b) Number of clients under new products.	200 clients	12	24	200	212 (( start up 201 and lease financing 11)	106
Capital funds for new loan products	II	amount disbursed**						



Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
VAT on Studies	II	amount disbursed **						
1.3 Capacity building of PKSf and POs in ME Management	III	a) PKSf Officers trained on enterprise management and promotion of private businesses	125 PKSf Officers	50	25	50	100	80
	III	b) POs Officers trained on enterprise management and promotion of private businesses	250 POs Officers	25	20	80	260	104
1.4 Capacity building of beneficiary MEs in ME Management	III	a) Beneficiary ME borrowers are technically trained on effective ME Management	3,000	1,200	731	60	1331	44
ME program review workshops	III	no. of workshops organized **	6	1	0		2	33.33
<b>Total of component- 1</b>								
<b>Component 2: Value Chain Development</b>								

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
<b>Outcome2:</b> Sustainable inclusion of microenterprises and businesses run by the poor and the ultra-poor in value chains in agriculture, off-farm and service sectors to up-scale business, production technologies, and enhance access to markets.		By 2020: Increase in cumulative sales of participating businesses (farm and non-farm sectors) in value chains No. of microenterprises operating 3 years after the support received from the project	By 2020: Taka 9000 million	Too early				
<b>OUTPUTS:</b>		<b>By 2020:</b>	<b>By 2020:</b>					

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
2.1 Microenterprises and agribusinesses run by the poor/ultra-poor sustainably included in value chains for agricultural products or group of similar products in various parts of the country		a) Additional land brought under production of selected products or group of products, and increase in poultry birds and livestock in case of poultry and livestock sector	a) 10,000 acres of additional land and 50% increase in poultry birds and livestock	Additional land 5000 acres and 20% increases in poultry birds and livestock.	1175.88	23	4357.88	43
	III	b) Value chain development activities are implemented in agricultural subsectors involving input suppliers, producers, traders, (in some cases processors, retailers, exporters) and service providers	b) 15 in agricultural subsectors	10	1	10	Total sub-sector 15, and number of VCD projects 32	100
		c) Microenterprises are linked with larger firms as suppliers and contract growers	c) 5,000 microenterprises	1000	6281	628	8496	169

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achievement of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
		d) Microentrepreneurs trained in management, marketing and market intelligence	d) 200,000 microentrepreneurs	105000	22614	21	55327	27
		e) Microenterprises adopted project recommended technologies	e) 200,000 microenterprises	75000	22750	30	39382	19
2.2 Microenterprises sustainably included in value chain for non-farm manufacturing, processing and service products or group of products	III	a) Value chain development activities are implemented in non-farm subsectors involving input suppliers, producers, traders, (in some cases processors, retailers, exporters) and service providers	a) 15 in non-farm subsectors	12	3	25	Total sub-sector 11 and no. of VCD Projects 11	73
		b) Microentrepreneurs are trained in marketing, production and management issues.	b) 50,000 microentrepreneurs	25500	2639	10	3613	7

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
		c) Persons (workforce) trained in various skills to produce selected products or group of products	c) 25,000 persons (workforce)	15000	4507	30	5116	20
		d) Microenterprises are linked with larger firms as suppliers and sub-contractors	d) 2,500 microenterprises	1375	1329	96	1951	78
		e) Local service providers (farm and non-farm sectors) strengthened in each selected VC to ensure the sustainable support to microenterprises and businesses run by the poor/ultra-poor	e) 10,000 Local service providers (farm and non-farm sectors)	660	1015	153	1148	11
2.3 Capacity of PKSf and POs enhanced to formulate and	III	a) PKSf/GoB and POs officials trained on VC project design and management	a) 50 PKSf/GoB and 200 POs officials	25	20	80	251 (PKSf 50 and PO 201)	100

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
manage large scale value chain subprojects and identify opportunities for partnership with the private business sector for microenterprises	III	b) PKSf/GOB/POs officials are given overseas exposure visits on value chain development projects, technologies and management systems for dissemination in Bangladesh	b) 80 PKSf/GOB/POs officials	17	0	-	63 (PKSf, PO and GoB)	78.75
	III	c) PKSf/PO officials are trained on preventing environmental degradation and improving conditions in work place	c) 80 PKSf/PO officials	0	0	-	88 (PKSf 20 and PO 68)	110
2.4 Capacity of PKSf, POs and microenterprises to identify, advocate and strengthen pro-poor business	III	a) Policy issues identified, policy papers written and submitted to relevant authorities	a) 5 policy issues and policy papers	3	consultant recruitment process on going		3	60
	III	b) Policy dialogue among national stakeholders is promoted (e.g. seminars)	b) 5 policy dialogue	3			0	-

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
policies, especially sector specific policies, enhanced	III	c) PKSf, GOB and POs officials trained business/sector policy analysis and advocacy	c) 100 PKSf, GOB and POs officials	60	40		20 (PKSf 20)	20
	III	d) Microenterprises are supported to enable them to participate in policy dialogue	d) 1,000 Microenterprises	1000	0		0	-
2.5 Establishment of an E-knowledge Window for farmers training with good knowledge management products to disseminate success and experiences gained through implementing		Technologically functional and sustainable E-knowledge Window established	One E-knowledge Window established		0			

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
three interrelated components of the project								
2.6 Strengthening Results based Monitoring		Capacity of PKSf and POs enhanced in the area of M&E and Knowledge Management of the micro-enterprises						
2.7 Support to provide access to e-market services to rural micro-entrepreneurs		Establishment of e-platform dedicated to the micro-enterprises (MEs) products in close collaboration with existing e-platform service providers						
Regional VCD workshops	III	no. of workshops organized **	20	4	4	100	16	80.00
Annual review workshops of VCD projects	III	no. of review workshops organized **	6	1	0	-	1	16.67
VAT on item 2 preparation of								



Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achievement of the total target
				Target	Achieved (July to December 17)	% achievement of the FY 17-18		
policy papers								
Unallocated								
<b>Total of component- 2</b>								
<b>Component 3: Technology and product adaptation</b>								
<b>Outcome 3:</b> Proven technologies and products (agricultural and off-farm) from Bangladeshi and international sources introduced to microentrepreneurs.		Technologies and products successfully introduced to small producers	By 2020: 10 technologies and products	2	4	200	13 (National technology 11 and Foreign technology 02 and national project 13, foreign project 03, Total project 16)	130
<b>OUTPUTS:</b>		<b>By 2020:</b>	<b>By 2020:</b>					

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
3.1 Resolution of technological problems identified under Component 2	III	a) Problems identified, research conducted and solutions disseminated	a) 6 problems	4	ToR is being prepared		0	-
	III	b) Seminars organized	b) 6 seminars	4	0		0	-
3.2 Adaptation and dissemination of readily available technologies and products	III	a) Agricultural products and technologies identified, adaptive research conducted and introduced to small producers;	a) 15 agricultural products and technologies	5	14	280	34	226
	III	b) Microentrepreneurs/farmers are trained on production technologies	b) 50,000 microentrepreneurs/farmers	25000	87807	351	112807	225
	III	c) Off-farm products and technologies identified, adaptive research conducted and introduced to small producers	c) 5 off-farm products and technologies	3	5		0	-

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achievement of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
Technology transfer and products adaptation within Bangladesh	III	no. of technology transfer and products adaptation **	15	8	2 (National technology 2 and national project 2)	25	National technology 11 and national project 13	53.00
Technology transfer and products adaptation outside Bangladesh	III	no. of technology transfer and products adaptation **	5	1	0	-	Foreign technology 02 and foreign project 03	100.00
3.3 Technical assistance and studies	III	a) PKSF recruits TA providers (Bangladesh and foreign) to assist VCs	a) recruits 4 TA providers	0			0	-
	III	b) Conduct subsector, technical feasibility, impact assessment and other studies	b) Conduct 24 subsector, technical feasibility, impact assessment and other studies					

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achievement of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
Subsector studies (agri, non-farm, services)	III	no. of study conducted**	10	2	consultant recruitment process on going		8	80.00
Technical feasibility studies	III	no. of study conducted**	5		0		5	100.00
Consulting/advisory services for VCD projects (national & foreign)	III	no. of study conducted**	4	2	ToR is being prepared		0	-
Overall sectoral VCD project	III	no. of study conducted**	4	2	ToR is being		0	-

Description of activities	Loan Category	Logframe indicators	Implementation targets and Achievement					
			Project total (2015-2020)	FY: 17-18			Cumulative achievement	% achieved of the total target
				Target	Achieved (July to December 17)	% achieved of the FY 17-18		
impact studies					prepared			
Physical environment (waste management)	III	no. of study conducted**	1	1	consultant recruitment process on going		0	100.00
VAT on sub-sector studies, technical feasibilities studies, consulting/advisory services, vcd impact studies and environment studies)								

## **8. Conclusion:**

PACE Project is progressing well in all three components. It exceeded the target of loan disbursement and borrower coverage in the component 1. With the project support, microenterprise (Agrosor) program of PKSF is progressing well. As many as 13,52,442 microentrepreneurs are receiving financial services under this program.

The progress of implementing value chain interventions and technology transfer is quite satisfactory. A total of 43 VCD sub-projects (32 subprojects in 11 farm subsectors and 15 sub-projects in 11 non-farm sub-sectors) covering 1,92,839 members are being implemented in different regions of the country.

Project participants of VCD sub-projects started seeing the positive changes in their enterprises. Through technical and technological supports of VCD projects, productivity and income of microentrepreneurs/small farmers and workforce engaged in the enterprises are being increased. PACE project has made attempts to establish sustainable market linkages of the farmers and entrepreneurs in home and abroad. A good number of farmers have been linked with the export market in Japan to export quality mung bean to be produced by them. This linkage has been established through a private sector company. Besides, aromatic rice produced by the project participants is being exported to Malaysia.

On the other hand, non-farm sub-sectors should be given more attention. In order to promote nonfarm subsectors and to provide support for technologies, we need to develop sector specific human resources. PACE made good effort in increasing productivity in non farm subsectors like micro shoe industry, imitation jewelry etc by introducing appropriate technologies.

However, analysing any potential subsector and determining possible sustainable solutions require special knowledge and expertise in the respective areas.

Identifying technological problem in any subsector and transferring process of technology require technical knowledge and expertise. There is scope to enhance the capacity of PKSF and its POs in the field of value chain development and technology transfer.

The PACE project is playing an important role in poverty reduction by providing various technical services in combination with financial services. PACE project is following suggestions/agreed actions of the mission to improve its performance. The project will go a long way in increasing productivity of the country's microenterprise sector. Marketing and creating brand image of the products of microenterprises is critical issue in expanding the sector. More emphasis could be given in this area for the betterment of this sector.

PACE project is providing training and other supports to the partner organizations to enhance their capacity in implementing this type of multi dimensional project. With the capacity building support of the project, capacity of partner organizations has been enhanced significantly in designing and managing value chain development projects and technology transfer related activities. However there is scope to enhance capacity of the partner

organizations (POs). Since, PKSf implements all its projects through its POs, success of any project mostly depends on the capacity of them. In this regard more emphasis should be given on institutional capacity building of the partner organizations (POs).

