

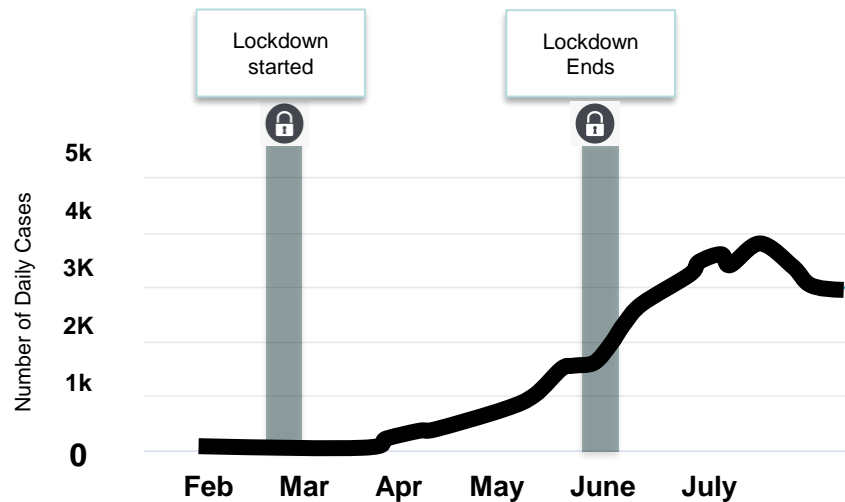


# A People-Centric Response to Covid-19 pandemic: Social Performance Management in Practice

**Client Protection and Social  
Performance Team  
BRAC Microfinance**



# How Bangladesh are doing in response of COVID-19 ?



- Bangladesh's Covid-19 infection rate is gaining pace. Today ranks at 16th place among all countries by the total number of affected cases surpassing Germany.
- Our neighboring states India & Pakistan are at 3<sup>rd</sup> and 12<sup>th</sup> position
- Spread of Covid-19 across districts Dhaka city being the hotspot
- Bangladesh has the highest density of population among those 16 countries – 1,172 people / sq km, Makes it more vulnerable.

Total active case

**210 K**

Weekly average case

**3 K**

Total recovered

**11 K**

People left Dhaka

**11 Mn**

Death

**3 K**

Become Jobless

**13%**

Become new poor

**12 Mn**

# Snapshot of BRAC & MF's response of COVID-19

Programme participants across the country have been oriented on COVID-19

**73 MN**

BRAC staff and volunteers have been oriented on COVID-19

**135 K**

Units of hygiene products have been distributed

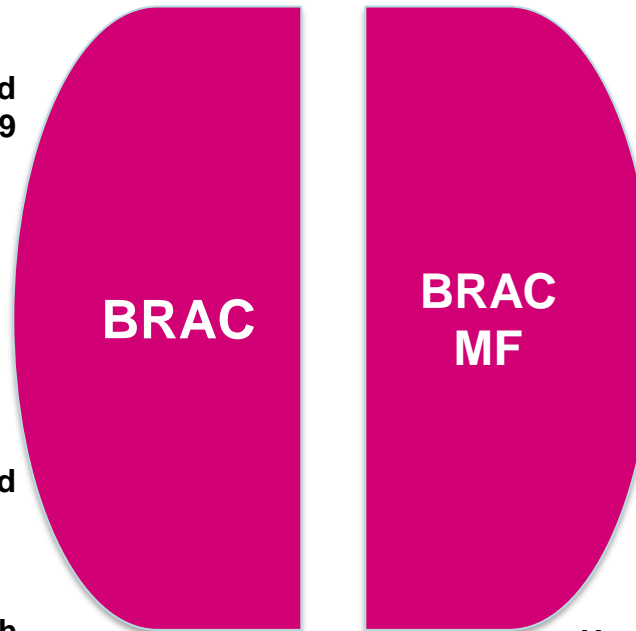
**1.7 MN**

Protective wear items have been distributed

**876 K**

people have received counselling through BRAC's tele-counselling platform

**1.3 K**



Leaflets and stickers distributed among programme participants

**8.4 MN**

Awareness SMS to MF clients

**4.3 MN**

Client received COVID awareness through MF call center

**66 k+**

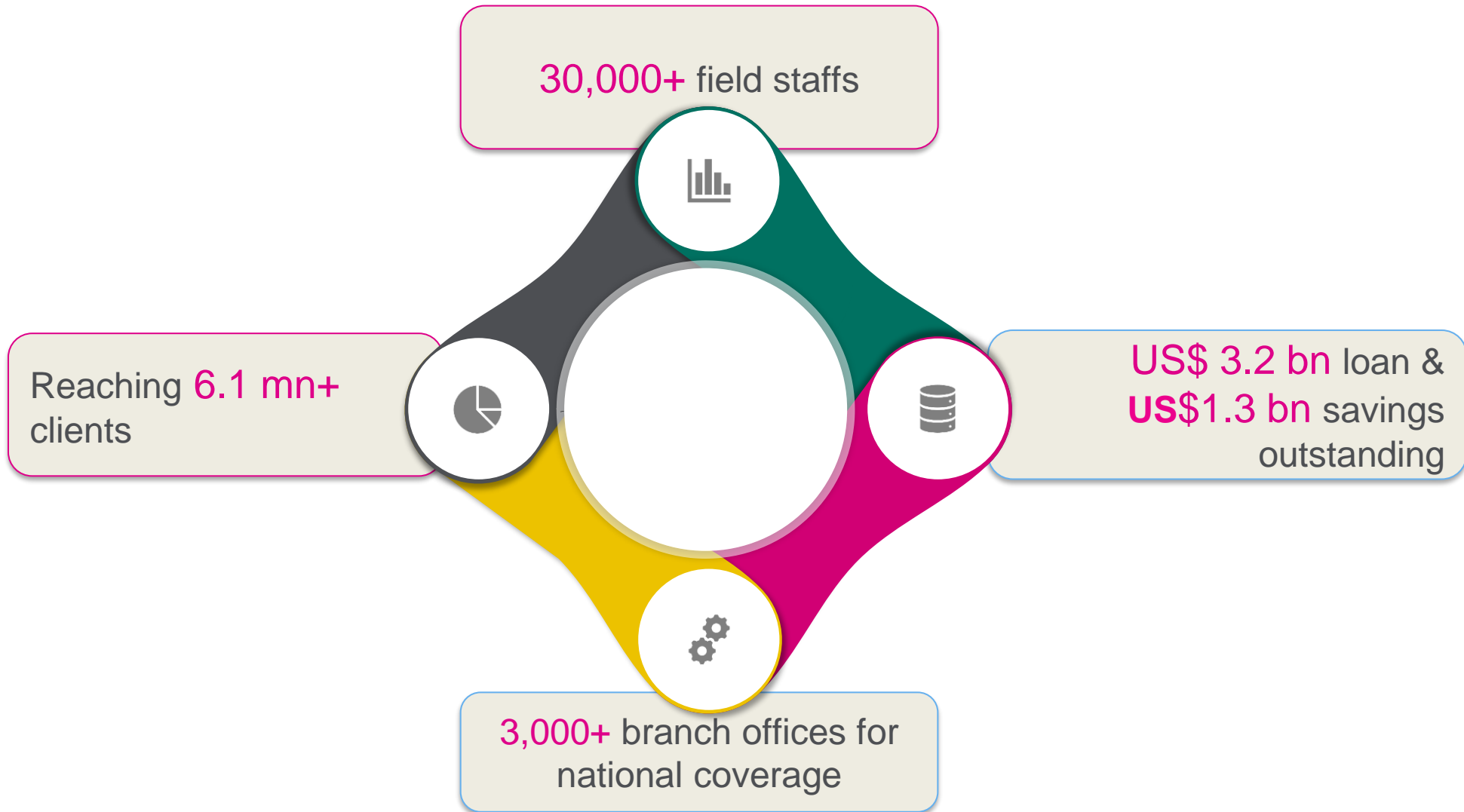
Isolation centers prepared and managing by MF

**389**

Hand washing stations installed

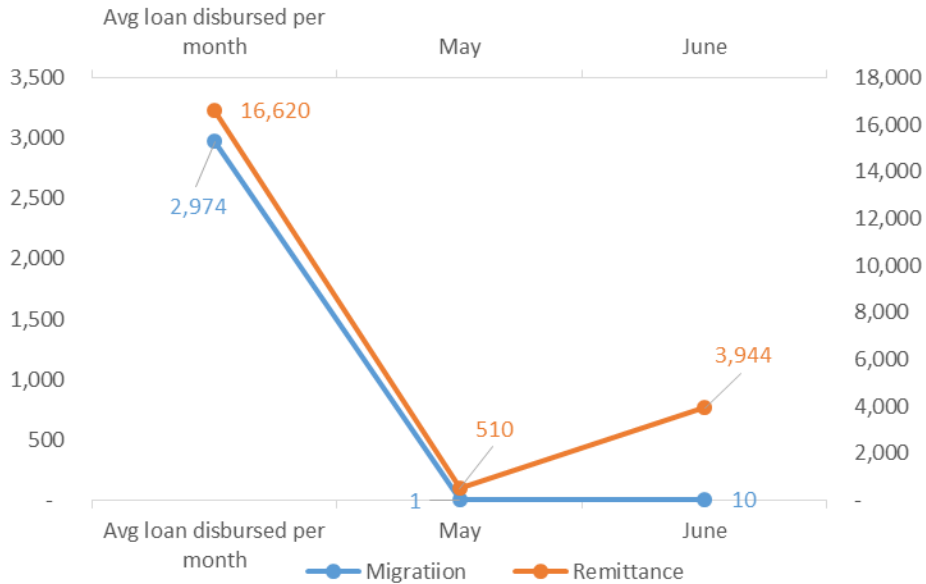
**2536**

# BRAC is one of the largest microfinance service providers

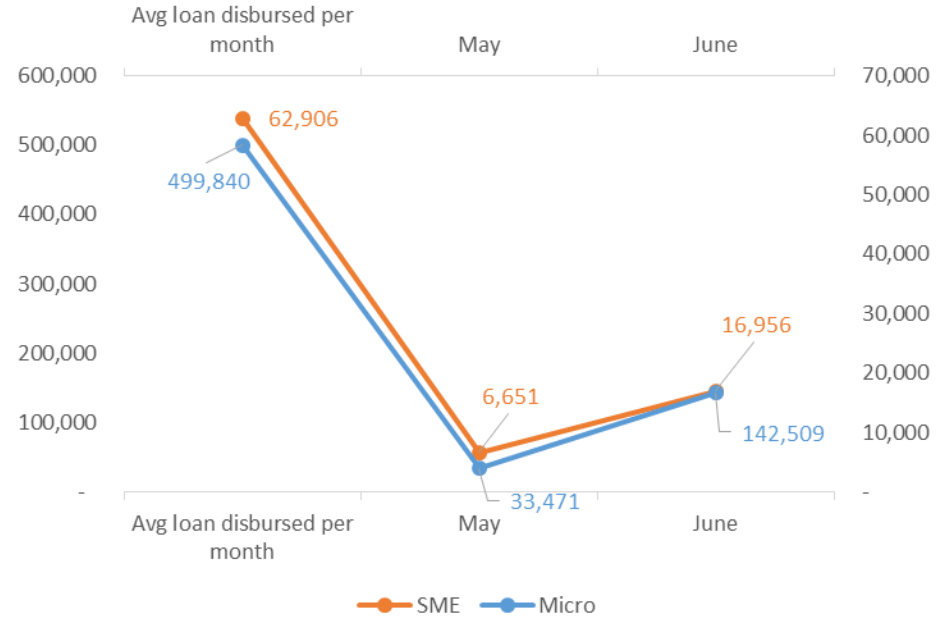


# Portfolio Analysis

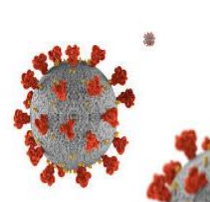








Pre & Post Covid-19 impact on Migration & Remittance loan








Pre & Post Covid-19 impact on SME & Group loan



MARCH

								
<b>8th March</b>	<b>16th March</b>	<b>19th March</b>	<b>19th March</b>	<b>21st March</b>	<b>22nd March</b>	<b>22nd March</b>	<b>24th March</b>	<b>25th March</b>
1st COVID-19 positive patient detected in Bangladesh	1st COVID-19 related instruction to field for client safety	Staff started client awareness campaign	5.5M Leaflet & 2.9M Sticker distributed to branches by MF admin team for mass awareness	Reached 4.3M client through voice SMS; 66k client through call center with life saving info	Handwashing station installed in 2536 branches	1.5M hygiene products & 0.88M protective gears distributed by MF admin team	MF field operation suspended till 30th June	Community miking with Kuddus Boyati's song

April

				
<b>13th April</b>	<b>15th April</b>	<b>16th April</b>	<b>24th April</b>	<b>28th April</b>
Tracking database for COVID positive staff. Till 13th June positive staff- 35 out of 134 tested ones	MF Digital team helped other programs in cash distribution of 246M BDT to through 1.6 lac bKash wallets	1Billion BDT saving refunded to 5 lac clients; 819M through 4.05 Lac bKash wallets	354 Isolation centers for staff only	MF ensured online COVID prevention training for all staff. Reached to 9872 PO/CO over phone.



May

	
<b>5th May</b>	<b>10th May</b>
Ensured Safeguarding training for all staff. Reached to 2742 PO/CO over phone	Partially resumed operation to inject liquidity in economy;

May

	
<b>11th May</b>	<b>17th May</b>
Tele counseling service for staff to provide mental support through individual counselor	Monitoring team checked right health rule implementation at 1411 branches till 2nd June

JUNE

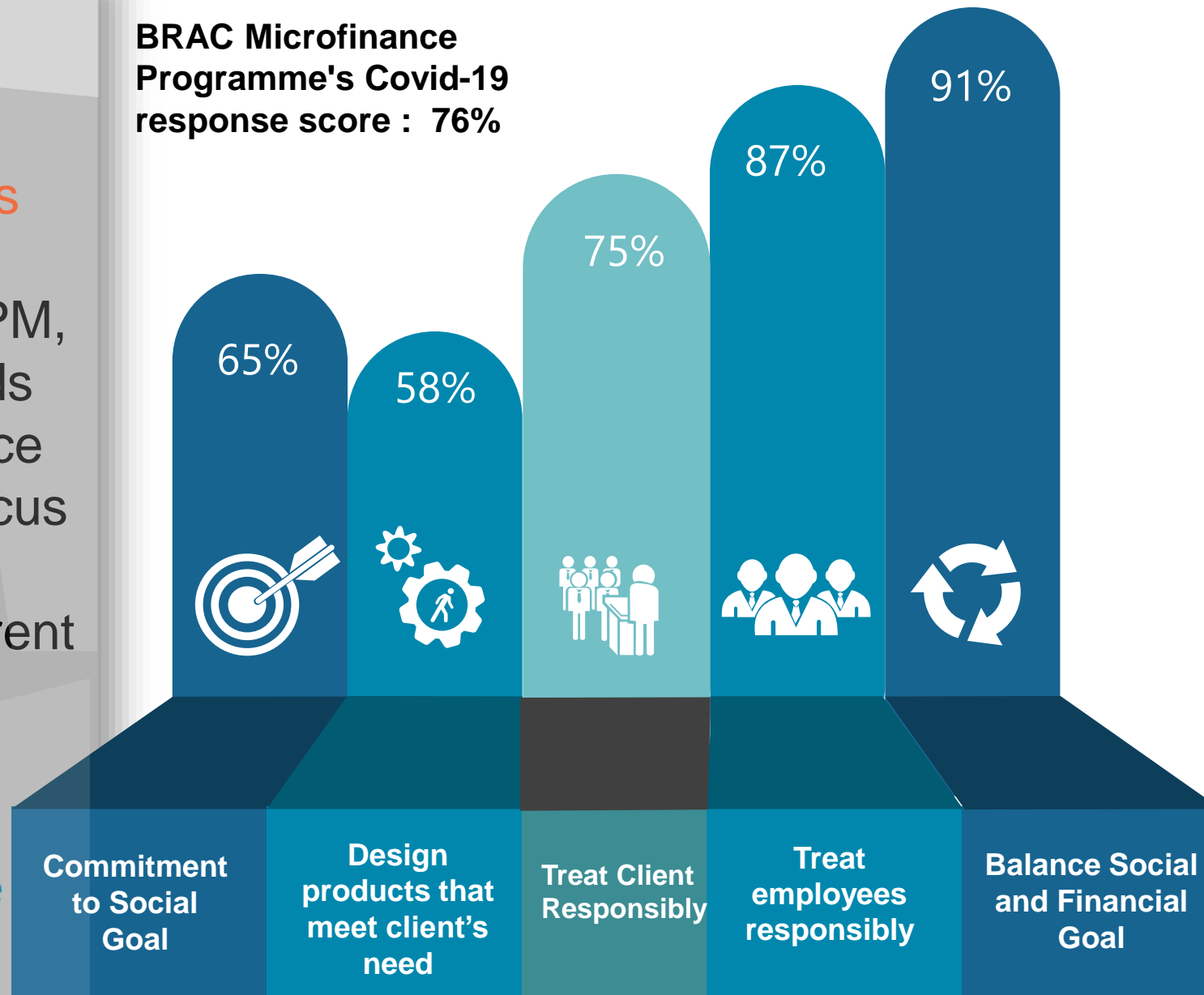
	
<b>4th June</b>	<b>Coming June</b>
MF ensured online COVID related awareness training for all staff. Reached to 8294 PO/CO over phone.	Refinancing and Rescheduling loan

# Timeline of BRAC MF's response

**BRAC Microfinance Programme's Covid-19 response score : 76%**

We adopted **Crisis Checklist**

Based on the USSPM, identified standards that financial service providers should focus on designing a response to the current COVID crisis





# Commitment to Social Goal

65%



**149**

hand-washing stations installed for farmers in haor areas

We arranged community micing with our country's famous folk singer. They recite poems, sing songs, arrange Puthi-path, and propagate prevention messages through mic across the villages.



Coronavirus: Awareness | BRAC

11K views • 4 months ago

- Our 30k+ staffs engaged in awareness activities. We did awareness campaign by distributing **5 MN + leaflets & 3 MN stickers**



- **69% of 1024 respondents** state that they know about the virus from BRAC staff whereas 5% know from government officials

With our awareness messages reach to **152.88 Million** through social media

- Send voice messages through our dedicated call Centre in two phases.
- **PHASE-1**\_message from ED-reach **33k clients.**
- **PHASE-2**\_emergency health information from BRAC to prevent COV-19\_reach **29k clients**



www.brac.net

FOLLOW US



/BRACworld





# Design Products that meet client's need

58%

## Lien Loan

- BRAC initiated Lien Loan against clients' term based savings with us. Under this loan criteria, a savings **client can take up to 90% of loan against his/her Term Based Savings** with 12 monthly installment facility.
- since the Partial resume from May 10, 2019 all of our Special Savings clients can avail a loan against their savings. Till now **total 405 clients have taken BDT 35 million** as lien loan with an average 82 K ceiling size.

## Refinancing

- “Refinancing” for our clients thus they can utilize this fund at their income activity and recover from their economic crisis.
- For refinancing the loan amount depends on the amount of the cash at hand of client. The installment amount won't be more than 80% of the cash at hand amount.
- We have developed a loan calculator which helps our staff to determine the loan amount for the second loan considering their income flow. As an added advantage, client also gets insurance benefit on their 2<sup>nd</sup> loan too.

## Rescheduling

- Reschedule loan tenure for 3 to 6 months based on their income flow. With this advantage, client who is struggling with their income, will have the facility to give reduced amount installment.
- This reduced installment amount will be determined by our reschedule calculator based on their cash at hand amount. Also client's capacity and affordability will be considered.



# Treat Client Responsibly

75%

- From 24<sup>th</sup> March, MF field operation was suspended till 30<sup>th</sup> June considering the health risk of clients & staff. **Installment & saving collection were kept in hold aligning with the MRA authority.**
- The MRA decided to make the loan classification process static till 30<sup>th</sup> June i.e. if clients fail to repay the regular installments their loan status will not be changed from current to due. **Moreover, we discarded the additional service charge from client's end from 25<sup>th</sup> March to 10<sup>th</sup> May in case of missed installment.**
- A **Rapid Perception Survey** to capture general awareness level and distress level of our marginalized beneficiaries. BRAC staff collected 3000 responses and after cleansing **2675 samples** were taken into account. The economic impact seems to have affected almost all respondents (93%) but the wage laborers were adversely affected (77%). 14% of total respondents reported having no food in their homes. In urban areas, the rate was 18%. Overall, **29% reported having 1-3 days' worth of food in their homes.**



# Treat Client Responsibly

75%

## Savings Refund

- Reaching out to **100,000** of such families in the first wave starting 3<sup>rd</sup> April with a support of **18 USD** / for each family, an amount that was estimated to help a family of 4 with food for two weeks

- Vulnerable client segmentation based on the following criteria :
  - **Low income people**
  - **Have pregnant or lactating mother in family**
  - **Physically challenged member in household**
  - **Family depends on single earner females**

- Considering all this criteria, finally our frontline staff could prepare a list of 5 lac vulnerable clients. So far BRAC Microfinance has successfully refunded savings to **500 k** vulnerable clients started from 16 April 2020. Among them, **273,308 (81%) clients received through bKash and 65,174 (19%) clients by cash.**

- Among the families got saving refund 71% was single household earner and 29% was multiple earners.
- 99% respondents among 1024 savings receiver stated the refunded savings helped them to manage their financial needs for at least 20 days in average. 86% of them utilized the saving grant in food consumption and 16% used it for medicinal purpose.



# Treat Client Responsibly

75%

## Partial Resumption

With the huge demand and situational necessity, we decided to **reopen our operation partially on 10th May**. Before the partial operation resume, a detailed instruction set was developed. We discouraged our usual approach of gathering clients together.

**Branch office related instruction** : A specific time slot (8.30 am to 2 pm ) was given for daily transaction, not more than 8-10 clients can enter the branch office to maintain the social distancing norm, clients will be communicated beforehand to come to branch on their allocated slot, clients with any near symptoms will be discouraged to come out of their house.

### **Loan Proposal related:**

only repeat borrowers associated with productive income source will be considered for loans, service has to be provided in a way that client has to come to branch once only.

### **Loan approval and distribution related:**

less paperwork with less signing will be considered for this time being.

### **installment collection:**

Till 31<sup>st</sup> march collection will remain closed. Only willing collection will be collected. Clients will be encouraged to transect through bKash wallets and within a month 34% new bKash wallets were opened.

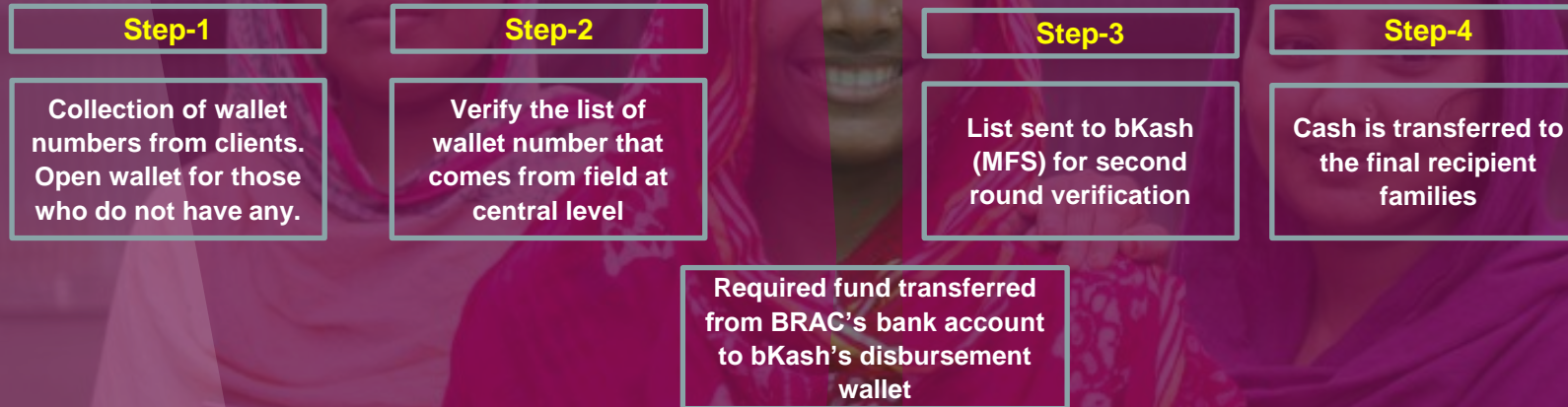


# Treat Client Responsibly

75%

## Digital Financial Service

The BRAC digital cash transfer process worked in 4 steps which is explained in the diagram below.



- **80% of the savings refund** was made through the digital method.
- Insurance benefits were paid to 208 wallets and interest from a monthly savings scheme was sent to 3,725 wallets. In total BRAC made **digital cash transfer to 575,000 wallets** and at an **amount of 13 million USD** and we are currently planning for more.
- To avoid unidentified transaction issues for loan instalments, a DFS wallet is introduced in each of all **2,541 branches**.
- 71% out of 1634 respondents state that they prefer digital transaction over other channels because it is easier to receive money through mobile wallet.



# Treat employees responsibly

87%

## Distributions of hygiene kits & protection wear:

- **3, 69,679** piece of face mask has been distributed to all BRAC staff (among them **1, 58,440** piece distributed to Microfinance staff)
- PPE - 349
- Gloves – 32,371
- N.cap – 12,745
- Shoe cover – 698 pairs
- Goggles - 29
- 

## Safety measure in Account Section:

- Provide service in more close door environment:
- Mandatory of using Mask
- Ensuring of gloves,
- Use hand sanitizer
- Envelope for cash management



## Hand washing Station:

- To educate our client and also ensuring staff safety BRAC Microfinance established hand wash station in every office, making their use obligatory on entering and taking services.

## Special Circular for field office reopening:

- Following the rules of Bangladesh Microfinance Regulatory Authority (MRA) BRAC decided to open its field office on 10<sup>th</sup> May 2020. A special circular has been provided on the pandemic situation.
- Loan disbursement time is 11:30 am to 2:30 pm so that staff can design their work on the basis of that.
- At a time **only 8 to 10 clients** can enter in the office to take service. This helps to ensure social distance & encourage our staff to work more efficiently.



# Treat employees responsibly

87%



## **BRAC University Hostel to Isolation Centre:**

BRAC turns its own University dormitory as an individual isolation center.

Microfinance (MF) provides skilled & trained staffs (cook, cleaner, managers) to take care of affected employee.

1 doctor, 2 nurse are working there. Ensured PPE for medical personals.

## **Isolation Centre for COVID-19 suspected staff:**

- 389 isolation centers in (BRAC own building 314, BLC 21, and Savar BRAC University campus).
- 150 oxygen cylinder for staff.
- PPE for cook & cleaner who directly serve our Covid affected employee.
- Total 350 oximeter for regional office, divisional office and isolation center.
- 100 nasal cannula has already been purchased for staff.
- Following medicine are provided for our staffs. 1. Lvera = 2000 pc  
2. Doxi = 11000 pc





# Treat employees responsibly

87%



“Only prevention can protect my community from this disease.”

Din Islam  
Rohingya volunteer

An encouraging video to boost up our brave employees willingness !

**Link:**

[https://brac.workplace.com/permalink.php?story\\_fbid=916673335432281&id=100012688681191](https://brac.workplace.com/permalink.php?story_fbid=916673335432281&id=100012688681191)

## Financial Benefits for COVID-19 affected Clients:

- **15,000 BDT (\$177 USD)** for Covid positive staff
- Along with insurance facilities, **25,000 BDT (\$295 USD)** for treatment.
- Applicable for both regular and contractual staff

## Continuity of Regular Financial Rewards:

- Performance Bonus of 2019
- Two Festival bonus.
- Incentives of our quarter1, quarter3, quarter4, will also be distributed

## Communication with Field staff:

- Our Executive Director keeps strong communication with our field colleagues, his strong voice message sent to every staff to inspire them more.
- Programmes Senior Director, COO, Senior Programme managers communicate with field colleagues regularly.
- **Moner Jotno Mobile App** ( for psychological support), **Hot Line Number (Telemedicine).**



www.brac.net

FOLLOW US



/BRACworld





# Balance Social & Financial Goal

91%

- We suspended our field operation taking into account the health risk of our client and workforce since the lockdown started from 26th March.
- Observing our clientele's need, from 10<sup>th</sup> May we partially start loan disbursement. Till June, we disburse 165.2 MN to our 2 MN clients.
- As a SMART Certified organization, following the client protection principles BRAC MF stopped calculating additional interest charge against those loan which are freeze due to pandemic.
- Beginning of the year, we finalize our loan disbursement target, which is almost 49 hundred MN. But with the sudden emergence of Covid-19 pandemic, we carefully analyze client demand, competition, market penetration and consequently reduce our operation's target by 29% for 2020

# Story of our frontline staff



*“ I am doing this life threatening task for our client. Because we have a responsibility to them not only in peacetime but also during vulnerabilities. If we don't come forward now, where will they go and how will I show my face to them once everything is normal. We have a social responsibility.” –*

*Nasrin Aktar, Credit officer*

She is visually despaired since childhood. In this crisis moment of COVID-19, she is creating mass awareness and delivering medical kits to all.



*“I forget everything when I see the gratitude in peoples' eyes while catering services. I am just glad to help them, I want to set an example of empathy ” - Swapon Kumar Mondol, Credit Officer*

# Setting Priorities considering COVID-19



**“Treat Clients Responsibly”** (SP Dimension:4) and **“Treat Employees Responsibly”** (SP Dimension:5) are the two major driving factors of SP model which is placed as **Phase 1 (Response)**



**“Design products that meet client's need ”** (SP Dimension:3) is another driving factor of SP model which is placed as **Phase 2 (Recovery)**

# Phase 1 : *RESPONSE*

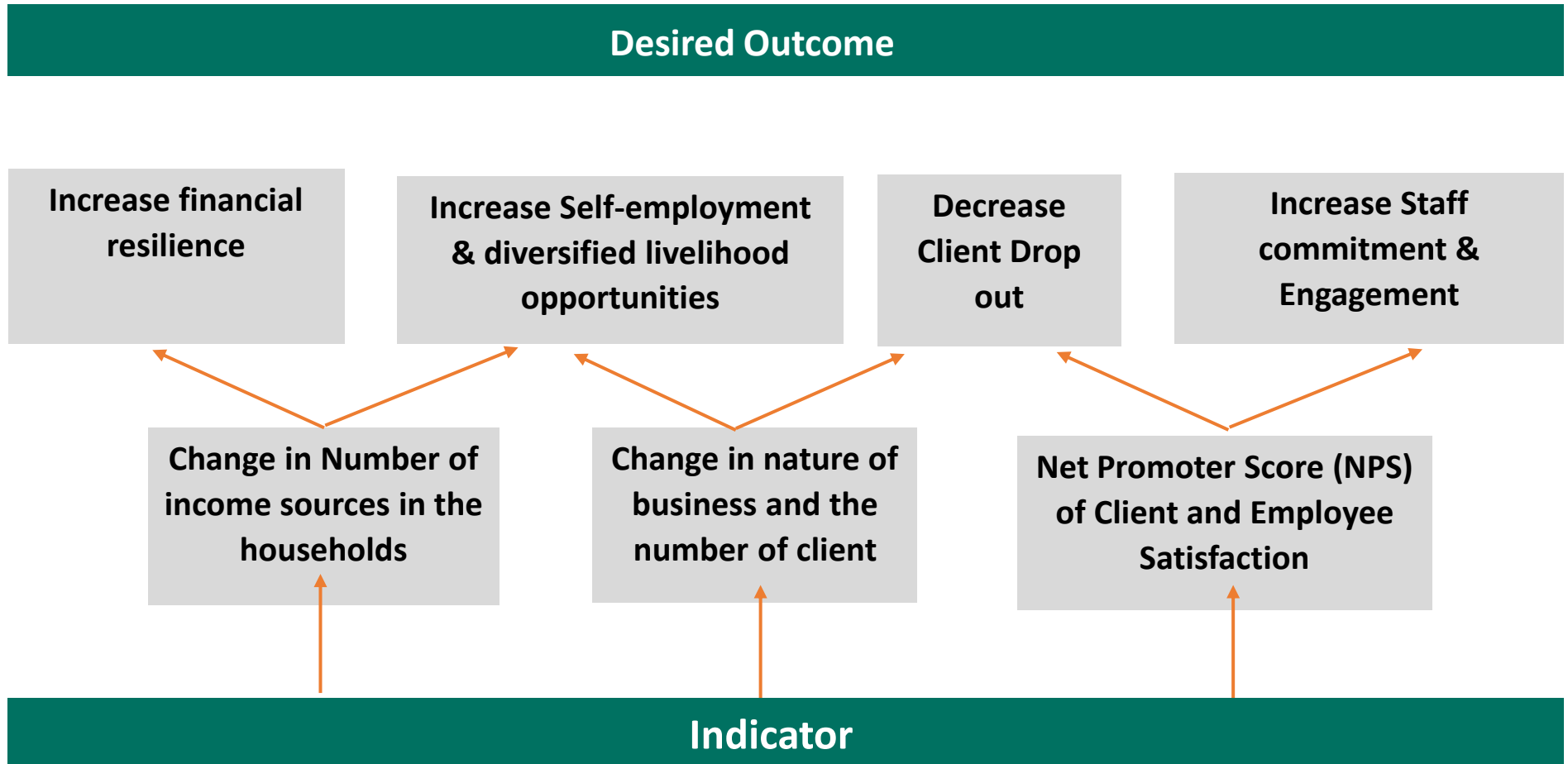
## Mission Statement

**“Placing utmost priority on the health, safety and financial security of both clients and employees during this pandemic by providing a range of services responsibly”**

### Theory of Change

Activities	Output	Short-term Outcomes	Long-term Outcomes	Impact
Addressing the impact of COVID-19 on both clients and employees and taking actions accordingly	Number of responsible financial products and services will be offered addressing the changing needs of our clients during this pandemic.	Immediately coping with financial shocks through better financial management	Increase financial resilience and livelihood opportunities for households living in poverty.	Our clients will remain in financial inclusion in a more secure way
	Number of health safety and working environment security actions will be taken.	Promptly ensure a safer working environment in the program and protect employees from the risk of contagion	Increase staff efficiency and capacity tend to serve the organization in better ways.	Responsible treatments towards employee make them loyal and affects positively in employee satisfaction

# Phase 1 : *RESPONSE*



# Phase 2 : *RECOVERY*

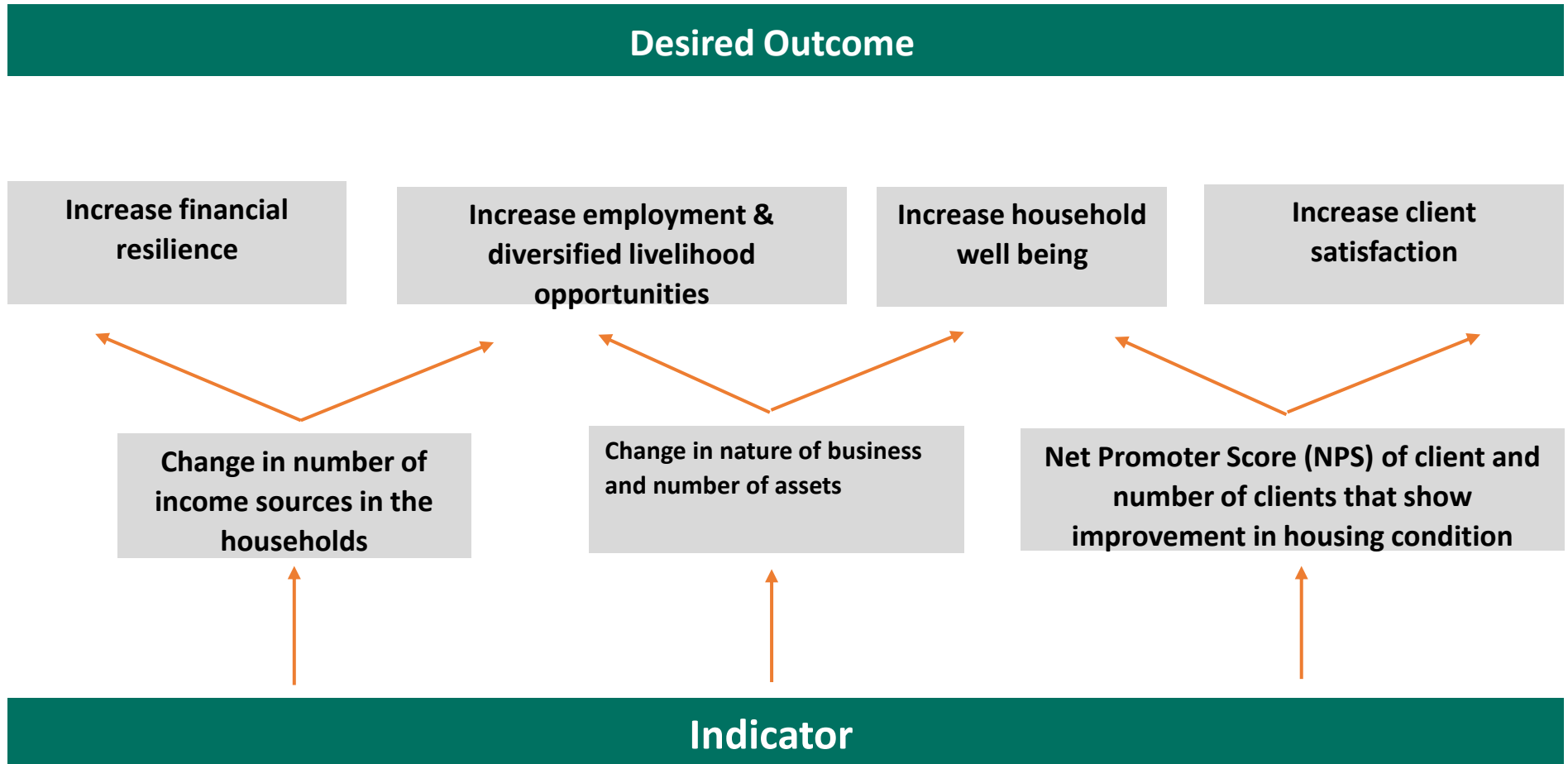
## Mission Statement

**“To provide a range of financial services by understanding clients needs & preference for ensuring diversified livelihood opportunities and building financial resilience”**

### Theory of Change

Activities	Output	Short-term Outcomes	Long-term Outcomes	Impact
Delivery of responsible and customer need based financial products	Number of responsible financial products and services will be offered addressing the changing needs of our clients.	Gain insight of client financial health and categorize accordingly	Keep our client in financial inclusion and improve household well being	Increase financial resilience and livelihood opportunities for households living in poverty

# Phase 2 : *RECOVERY*



# THANK YOU !



BRAC 2225477

সহযোগিতা মূল্যবান  
সহ একটি শক্তিশালী পরিবার  
সহ একটি সমৃদ্ধ জীবন

পরিবারের নাম	কোম্পানি
পরিবারের ঠিকানা	বাস
পরিবারের প্রধান	পেশা
পরিবারের সদস্য	সংখ্যা
পরিবারের প্রধান	বয়স
পরিবারের প্রধান	বয়স
পরিবারের প্রধান	বয়স
পরিবারের প্রধান	বয়স
পরিবারের প্রধান	বয়স



[www.brac.net](http://www.brac.net)

FOLLOW US



/BRACworld