Chittagong Hill Tracts Rural Development Project

The Chittagong Hill Tracts (CHT) is a unique geographical and cultural section of Bangladesh, with a mix of ethnic minority groups and Bengalis. The area was devoid of significant externally financed development interventions during the 1980s and 1990s because of a 20-year insurgency, which led to a general deterioration in the quality of life. Basic socioeconomic indicators for the CHT reveal a region suffering from both low income and absolute poverty, especially among the rural population.

In 2000, the Asian Development Bank (ADB) approved the Chittagong Hill Tracts Rural Development Project to help reduce the incidence of poverty in the CHT and to provide a confidence-building environment to underpin the peace accord signed in 1997.

Key Project Results

Output

- About 260 kilometers of feeder and rural roads improved; and 4,856 meters of bridges and culverts constructed
- Over 333,600 households benefited by improved agriculture/irrigation and 147,700 households got drinking water facilities
- Partner nongovernment organizations (NGOs) led 60,000 participants through 3,100 training courses and registered 6,000 members for savings
- About 20,000 beneficiaries received microfinancing
- Six community development partner NGOs trained 21,464 beneficiaries (39% female and 87% from indigenous groups) to develop skills and capacity to start and successfully operate small, community-based income-generating activities

Outcome

- CHT rural population living below food poverty line reduced from 70% in 1999 to 62% in 2008
- Average household income increased from Tk25,000 ($338) in 1999 to Tk66,000 ($892) in 2008
- Helped empower the ethnic minority population, which constitutes about 50% of the total population in the region, in deciding their own development priorities and taking ownership of the investments undertaken
Project Features
The project focused on increasing employment and income-generating opportunities through improved rural infrastructure, providing access to training and improved on- and off-farm productive technology, increasing the availability of microfinance services to expand productive activities, and strengthening the capacity of local government institutions, nongovernment organizations, and beneficiaries to plan and implement local development activities, thus providing a sound institutional capability for further development initiatives.

Project at a Glance

Cost and financing
ADB, $30 million; Technical Assistance Special Fund, $500,000; Palli Karma-Sahayak Foundation, $3.6 million; beneficiaries, $2.6 million; Government of Bangladesh, $9.1 million

Executing agency
Ministry of Chittagong Hill Tracts Affairs

Implementation period
October 2000–December 2009