



ANTAR: Microfinance Institution in Bangladesh for the Poor

Description

Recently, I travelled to Dhaka and Chittagong, Bangladesh, where the AMAN (Asian Muslim Action Network) is based. This organization has board members in Southeast Asia and South Asia. During this visit, I wanted to see up close what humanitarian activities the AMAN network is doing in its member countries. After spending a few days in Istanbul (Turkey), I made Bangladesh my target.

The chairman of [ANTAR](#), Mr. Emranul Huq Chowdhury, and his staff welcomed me and my staff to the office in Dhaka city. On this occasion, I gained a lot of insight into the existence of this microfinance institution that focuses on empowering poor communities. ANTAR is almost identical to Muhammad Yunus's Grameen Bank, which won the Nobel Prize. Even Mr. Emranul Huq is a close friend of Muhammad Yunus, who is now serving as the interim head of government in Bangladesh.



The lives of Bangladeshis are indeed a struggle to escape the poverty line, as the founder of ANTAR said. This has caused almost 2 million Bangladeshis to work abroad so that they can become the mainstay of the Bangladeshi economy. Almost every year, workers, mostly in the Middle East, send

their income to their hometowns in Bangladesh.

On the contrary, according to Mr Emranul, Bangladeshi tycoons are more interested in keeping their funds outside of them, so this has more or less affected the economy of Bangladesh. This phenomenon is seen as the cause of economic activity in this country, tending to be unstable. Poor people work abroad to send their funds to their own country, while the rich work in Bangladesh and then keep it abroad. This is a very contrasting irony in understanding the economy in Bangladesh.

ANTAR has a microfinance assistance program for the poor in Bangladesh. They also have various humanitarian activities, specifically in Cox's Bazar for Rohingya refugees, for example. This organization is said to have been established for almost 20 years. It has areas in almost all corners of Bangladesh. The staff is almost 200 people. The number of members who registered for this ANTAR program almost reached tens of thousands, especially from the ultra-poor group.

It can be said that ANTAR is one of the saviours of the economy and finances of the poor in Bangladesh. This can be seen when poor people in villages want to start a business. It is very difficult to have close contact with the banking system because the poor group does not have collateral to borrow money from the bank.

To explore this microfinance institution, the head of the ANTAR program, Abdullah Mohiuddin, invited me to Chittagong (a province in Bangladesh) to see how ANTAR's activities are operationalized in the field. For three days, I lived with ANTAR staff in the city of Chittagong. Each region has a manager who oversees all their activities in several branches of the ANTAR network.

It can be reported that each region has hundreds of loyal participants in the ANTAR microfinance program. A branch manager and two to three employees oversee each branch and constantly monitor the members' well-being. Almost every branch has hundreds to thousands of active participants. The staff will continue to accompany them until they can run the ANTAR-funded program.

The microfinance assistance model is more specifically for women than men. This is intended to empower the family economy. For those in the ultra-poor category (quoting the term from ANTAR staff), assistance is given free of charge and is expected to change their financial situation. However, for those who are poor, because they do not have a stable income, ANTAR is more intensive with them.

Women who decide to join ANTAR will apply for assistance for their economic activities. They must form a group of a maximum of 10 women. After that, they propose various activities to revive their economic system at the family level. Prospective recipients of assistance expect business assistance. They trust women more because they are always at home and are not difficult to work with when problems arise when the program is running.

Next, ANTAR will monitor their activities using funds lent to the group. This group system is considered very effective because each individual will carry out their respective responsibilities according to the agreement between them and ANTAR. Here, the group, not ANTAR, will decide how to handle disagreements over actions. That way, each member will supervise each other among themselves so they do not have problems with ANTAR.

The funds managed by ANTAR are currently almost 5 million dollars, from the turnover of funds they get to assist the poor. The members really feel the benefits of ANTAR's financial assistance. So, some

who have joined ANTAR are able to escape the poverty line. This seems to be what has caused ANTAR to survive for almost two decades.

The ANTAR model is part of a strategy to present a Bank for the Poor. It states that if each member can pay off their loan in one year, then no fees are charged to the participants. So, the women work hard to build their businesses with their respective families. They are present and live in the community they fund.

When we stopped at a branch, we saw several residents coming to register themselves in the ANTAR program. The staff welcomed us with excellent friendliness. Here, priority is given to those with the spirit to escape the trap of economic problems. The funds assisted are a minimum of 9 million rupiah. They can return the funds within 45 weeks. The funds they return each week are 200 thousand rupiah. This program does not burden the participants because they can pay for it in instalments without having to guarantee their assets, as when dealing with banks.

The Bank for the Poor model has been widespread in Bangladesh since 1976. Muhammad Yunus' success in this program has been recognized internationally. The community understands very well how to interact with this microfinance institution. ANTAR stated that participants continue to grow because they continue to expand family economic activities. So, the presence of ANTAR or other similar institutions greatly helps the economy as a small citizen of Bangladesh.

Finally, I got a narrative that institutions like ANTAR have also been seen in Aceh, such as the experience of Baitul Mal Aceh. As ANTAR did, Baitul Mal Aceh hasn't dared to carry out the Bank for the Poor's mission. Even if they expect assistance from banking for poor groups, of course, it is not possible because poor people do not have assets to use as collateral to get financial aid for their businesses.

The Indonesian version of this article can be read at [this link](#).