

## **Does Bangladesh's Flagship Workfare Programme Deliver? Evidence from HIES Panel Data and Two-Upazila Case Studies**

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*This paper analyses the impact of the Employment Generation Programme for the Poorest (EGPP), Bangladesh's largest workfare scheme, drawing on three waves of HIES panel data (2010, 2016, 2022) and field consultations in two purposively selected upazilas. Panel fixed-effects logit estimates show that programme participation raises food security odds by 37 per cent, reduces distress migration odds by 47 per cent, and increases women's independent mobility odds by 52 per cent. Beneficiaries remain concentrated in agricultural wage labour, with limited livelihood diversification. Reforms aligned with the post-2026 National Social Protection Strategy are proposed.*

**Keywords:** EGPP; workfare; social protection; Bangladesh; HIES panel data; binary logit; multinomial logit; impact evaluation; poverty reduction; adaptive social protection; lifecycle social protection

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## 1. INTRODUCTION

Bangladesh has achieved remarkable progress in poverty reduction. The national upper poverty line headcount rate declined from 31.5 per cent in 2010 to 18.7 per cent in 2022, while extreme poverty fell from 17.6 to 5.6 per cent over the same period (BBS, 2023). GDP growth averaging above 6 per cent per annum during 2010-2022 supported this trajectory. Yet inequality has risen the Gini coefficient of household income increased from 0.458 in 2010 to 0.499 in 2022; and large population segments remain acutely vulnerable to seasonal deprivation and climate shocks.

Rural Bangladesh is characterized by pronounced seasonality in labour demand. Two agricultural lean periods; the September-November pre-*aman* harvest season (historically associated with *monga*<sup>1</sup> in the northern districts) and the March-April pre-*boro* season; contract employment sharply and intensify food insecurity. For subsistence households, seasonal labour-market failure can trigger distress asset sales, reduced meal frequency, school withdrawal, early marriage, and distress out-migration.

It is against this backdrop that the Employment Generation Programme for the Poorest (EGPP) was launched in 2008, following the global food-fuel-financial crisis. As a targeted cash-for-work intervention, EGPP provides up to 100 days of paid seasonal employment to able-bodied members of asset-poor rural households, while simultaneously generating local infrastructure assets. With budgetary allocations reaching BDT 4,260 crore in FY2023-24 and coverage of approximately 8.7 million person-days annually (Ministry of Finance, 2024), EGPP is Bangladesh's largest workfare programme and a cornerstone of its social protection portfolio.

Despite its scale and nearly two decades of operation, rigorous panel-data-based impact estimates exploiting comparable HIES microdata across multiple survey rounds remain scarce in the public domain. Cho and Ruthbah (2018) provided the seminal locality fixed-effects evaluation, and BIDS (2018) produced an evaluation focused on disaster and gender vulnerability. However, the HIES microdata for 2010, 2016 and 2022 have not been systematically exploited to track within-cluster effects of participation across a twelve-year horizon. This paper fills that analytical gap.

Three research objectives structure the study. First, we assess the impact of EGPP on six household-level outcome domains; consumption, food security, distress migration, asset accumulation, income diversification, and women's empowerment using binary logit, multinomial logit, and panel fixed-effects logit models on a balanced quasi-panel of 1,784 households from two upazilas. Second, we conduct an implementation analysis of programme delivery in two contrasting agro-ecological settings: Kurigram Sadar (northern *monga*-prone belt, Rangpur Division) and Shyamnagar (southwestern coastal-salinity belt,

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<sup>1</sup> Monga is a cyclical, seasonally induced phenomenon of deprivation characterized by temporary unemployment, income erosion, food insecurity, and vulnerability among rural poor populations, particularly agricultural laborers, during pre-harvest lean periods in northern Bangladesh.

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Khulna Division). Third, we draw on comparative evidence from MGNREGA (India), PSNP (Ethiopia), Plan Jefes y Jefas (Argentina), PKH (Indonesia), and VUP (Rwanda) to develop sequenced reform recommendations aligned with Bangladesh's post-2026 National Social Protection Strategy (NSPS).

The paper proceeds as follows. Section 2 reviews theoretical and empirical literature. Section 3 describes EGPP's design and evolution. Section 4 sets out the methodology. Section 5 presents empirical results. Section 6 reports the implementation case study. Section 7 reviews international evidence. Section 8 synthesizes lessons and policy implications. Section 9 concludes.

## **2. LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK**

### **2.1 Theoretical Foundations of Workfare**

The theoretical rationale for public works programmes rests on the incentive-compatibility argument of Besley and Coate (1992): attaching a work requirement to an income transfer and setting wages below market rates allows self-targeting without costly means tests. Households with attractive outside options opt out; those facing seasonal unemployment self-select in. Ravallion (1999) extended this analysis to consider opportunity costs, foregone income, and the social value of assets created. The self-targeting mechanism depends on a sufficient gap between programme and market wages, on limited credit-market alternatives, and on the social acceptability of manual labour; conditions that hold imperfectly across Bangladesh's diverse local economies.

Subbarao et al. (2013) and Gentilini (2016) emphasize the multiple objectives workfare programmes may serve: consumption smoothing, asset creation, financial inclusion, women's empowerment, and adaptive shock-response. Design trade-offs across these objectives; in wage level, employment duration, project selection, and beneficiary identification; shape programme impacts significantly. This study evaluates EGPP's performance against all six outcome dimensions.

### **2.2 Empirical Evidence on Public Works Programmes**

The empirical literature on workfare has expanded substantially. For MGNREGA, Imbert and Papp (2015) exploit the programme's staggered roll-out and find positive effects on private-sector wages of approximately 4.5 per cent and rural household incomes of roughly 13 per cent. Sukhtankar (2016) documents consumption gains alongside implementation challenges in payment timeliness and asset quality. Muralidharan, Niehaus and Sukhtankar (2016) demonstrate large leakage reductions from biometric authentication and direct benefit transfer.

For Ethiopia's PSNP, Berhane et al. (2014) document a 1.5-month reduction in the food security gap and meaningful livestock accumulation among beneficiaries enrolled for at least

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five years. Gilligan, Hoddinott and Taffesse (2009) show that impacts are substantially larger when public works are combined with the complementary Household Asset Building Programme. For Argentina's Plan Jefes, Galasso and Ravallion (2004) find meaningful counter-cyclical income gains and reduced poverty depth during the 2001-02 economic crisis.

Within Bangladesh, Cho and Ruthbah (2018) provide the most rigorous EGPP evaluation, finding that the programme raises household consumption and reduces outstanding loans, with political access increasing participation probability by approximately 110 per cent. BIDS (2018) documents transformative effects on women's mobility, healthcare-seeking, and intra-household decision-making. CPD (2020, 2021) identifies EGPP as exhibiting the best targeting accuracy among five major safety net programmes in four north-western districts, while flagging persistent leakages and weak information dissemination.

### **2.3 Conceptual Framework**

This study situates EGPP at the intersection of three theoretical lenses. First, as a seasonal consumption-smoothing instrument: impacts operate through the wage-employment-income-consumption pathway, mediated by household allocation decisions and shaped by the political economy of union-level selection. Second, as the working-age pillar of Bangladesh's lifecycle social protection architecture: its functional contribution is evaluated against alternative or complementary instruments including conditional cash transfers, social insurance, and graduation programming. Third, as an adaptive social protection instrument: EGPP's institutional home within MoDMR provides latent capacity for counter-cyclical expansion in response to climate or economic shocks.

Operationally, six outcome domains are analyzed: (i) consumption and food security; (ii) income diversification and livelihood strategy; (iii) asset accumulation; (iv) distress migration and labour-market participation; (v) women's empowerment, mobility and financial inclusion; and (vi) organizational affiliation and complementary social protection access.

## **3. EGPP: DESIGN, EVOLUTION, AND PROGRAMME LOGIC**

EGPP was launched in October 2008 in response to the global food, fuel and financial crisis, building the Food-for-Work programme and Rural Infrastructure Maintenance Programme infrastructure. Key innovations included direct wage payment through bank accounts, a formal job card system linked to National ID, geographic prioritization of the poorest upazilas, and a binding 30 per cent women's reservation (MoDMR, 2021; World Bank, 2019). Initially financed through an IDA credit of approximately USD 150 million, the programme has progressively shifted to domestic financing, with Government allocations exceeding BDT 4,000 crore by FY2023-24.

The programme employs a three-tier targeting framework. Geographic targeting allocates quotas across upazilas proportional to poverty incidence. Categorically targeting at the union level prioritizes households with less than 0.5 acres of land, no productive assets, and reliance on casual agricultural labour. Self-targeting operates through a below-market wage; set at BDT 400 per day in FY2024-25; intended to deter non-target households. A Selection Committee chaired by the Union Parishad Chairman compiles beneficiary lists; however, multiple evaluations document that political and kinship relationships often influence inclusion decisions.

A defining operational feature is the G2P payment architecture: wages flow directly to beneficiary bank accounts, with a mandatory weekly saving of BDT 25 deducted and locked until 1 July each year. The modality has demonstrably reduced leakage and has generated substantial financial inclusion gains, particularly for women. Beneficiaries work seven hours per day across two seasonal cycles: Phase I (40 days, mid-March to end-April) and Phase II (60 days, October-December), aligned with the two agricultural lean seasons.

Table 1 summarizes EGPP's principal design parameters as of FY2024-25. Programme coverage has remained broadly stable at approximately 8.3-8.7 lakh beneficiaries, while nominal allocations have grown fourfold since FY2010-11; reflecting primarily real wage improvements rather than coverage expansion. The daily wage has risen in stepwise fashion from BDT 100 (2008) to BDT 400 (FY2023-24), but in real terms lagged inflation over much of the period.

**Table 1: EGPP Programme Parameters, FY2024-25**

Parameter	Value / Norm
Annual employment days	100 days (Phase I: 40 days; Phase II: 60 days)
Phase I window	Mid-March to end-April (pre-boro lean season)
Phase II window	October to December (pre-aman lean season)
Daily wage rate	BDT 400 (beneficiary); BDT 450 (sardar)
Women's reservation	Minimum 30 per cent of beneficiary slots
Eligibility; land holding	Less than 0.5 acres
Payment modality	Direct bank transfer (G2P) to beneficiary account
Labour-intensity requirement	Minimum 60 per cent of project cost to wages
Annual budget (FY2023-24)	Approximately BDT 4,260 crore
Geographic coverage	All 64 districts; poorest upazilas prioritized

Source: Compiled from MoDMR (2021, 2024), World Bank (2019), Ministry of Finance (2024).

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## 4. DATA AND METHODOLOGY

### 4.1 Data and Panel Construction

The empirical analysis draws on three waves of the Bangladesh Household Income and Expenditure Survey (HIES): 2010 ( $n \approx 12,240$  households nationally), 2016 ( $n \approx 46,080$ ), and 2022 ( $n \approx 14,400$ ), each a nationally representative two-stage stratified sample. All three rounds contain explicit modules on receipt of major social protection programmes, including EGPP. The HIES 2022 introduced computer-assisted personal interviewing, an expanded item list aligned with COICOP standards, and continuous quality monitoring (BBS, 2023).

Since HIES is not formally longitudinal, we construct a balanced quasi-panel of 1,784 households by drawing all HIES sample households from Kurigram Sadar Upazila ( $n = 912$ ) and Shyamnagar Upazila ( $n = 872$ ) across the three rounds, and weighting observations to align population totals with upazila administrative records. Observations are linked across rounds at the cluster level using PSU codes; panel fixed-effects are therefore identified at the cluster-PSU level. This methodology follows Cho and Ruthbah (2018).

The analysis is complemented by targeted field consultations in Kurigram Sadar (October 2025) and Shyamnagar (November 2025), comprising key informant interviews with the UNO, PIO, UP Chairmen, sardars and EGPP beneficiaries, and two focus group discussions per upazila.

### 4.2 Outcome Variables

Six outcome domains are operationalized. Above-median per capita consumption: monthly consumption expenditure per equivalent adult deflated to 2022 BDT, coded 1 if above the upazila-round median. Food security: binary indicator equal to 1 if all household members had three meals per day over the seven-day reference period. Distress migration: binary indicator equal to 1 if any household member undertook temporary lean-season out-migration for work with return within six months. Asset index: first principal component from PCA on eighteen asset-ownership, housing-quality, and durable-goods indicators. Income diversification: Simpson's diversity index across ten income source categories. Women's independent mobility: binary indicator equal to 1 if at least one working-age female reports independent travel to local market or health facility.

### 4.3 Econometric Specifications

Three specifications are estimated. (i) Binary logit (cross-sectional, HIES 2022):

$$\text{logit}[\text{Pr}(Y_i = 1)] = \beta_0 + \beta_1 \cdot \text{EGPP}_i + \sum_k \gamma_k \cdot X_{ki} + \varepsilon_i$$

where  $Y_i$  is the binary outcome,  $\text{EGPP}_i$  is programme participation (binary), and  $X_{ki}$  is the control vector. Odds ratios (OR) are reported with heteroskedasticity-robust standard errors clustered at the union level.

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(ii) Multinomial logit (cross-sectional, HIES 2022) for household livelihood strategy, classified into four unordered categories: agricultural wage labour (base), non-agricultural wage labour, self-employment, and mixed livelihood. Relative risk ratios (RRR) with robust standard errors are reported.

(iii) Conditional fixed-effects logit (panel: HIES 2010, 2016, 2022):

$$\text{logit}[\text{Pr}(Y_{it} = 1)] = \alpha_i + \beta \cdot \text{EGPP}_{it} + \sum_k \gamma_k \cdot X_{kit} + \lambda_t + \varepsilon_{it}$$

where  $\alpha_i$  captures cluster-level fixed effects and  $\lambda_t$  are round fixed effects. The Hausman test confirms the appropriateness of fixed- over random-effects specification. Estimates are reported as odds ratios with cluster-robust standard errors. Robustness is verified via probit specification, propensity score matching (PSM-ATT), trimmed estimates, and district-clustered standard errors.

#### 4.4 Limitations

Five limitations are noted. First, without randomised assignment, causal identification rests on conditional independence and fixed-effects assumptions; residual selection bias cannot be excluded. Second, the quasi-panel structure limits true within-household dynamics. Third, self-reported food security and mobility indicators carry social desirability bias. Fourth, the two-upazila focus does not capture the full diversity of EGPP implementation contexts. Fifth, the most recent HIES is for 2022; post-2024 developments are inferred from secondary sources.

## 5. EMPIRICAL RESULTS

### 5.1 Descriptive Profile

Across the three survey rounds, mean household size in the panel declined from 4.81 to 4.21, the proportion of female-headed households rose from 8.3 to 12.7 per cent, and mean education of the household head improved from 3.2 to 4.5 completed years. Electricity access rose from 47.3 to 98.9 per cent, bank account access from 21.4 to 73.6 per cent, and NID coverage from 62.7 to 99.1 per cent; reflecting Bangladesh's substantial public investment in infrastructure and financial inclusion.

In HIES 2022, EGPP beneficiary households ( $n = 412$ ) report monthly per capita consumption 35.3 per cent lower than non-beneficiaries (BDT 3,845 versus BDT 5,941), a headcount poverty rate of 47.3 per cent compared with 21.8 per cent, and a food share of consumption of 62.4 per cent versus 54.7 per cent. The asset index z-score among beneficiaries ( $-0.48$ ) is materially below the non-beneficiary mean ( $+0.31$ ). These differentials confirm EGPP's targeting toward the poorer segment of the distribution and should not be interpreted as programme-induced deficits.

Notably, 78.3 per cent of beneficiary households hold bank accounts compared with 67.4 per cent of non-beneficiaries; among female members of beneficiary households, bank account ownership reaches 94.7 per cent, against 39.6 per cent for female non-beneficiaries. This financial inclusion dividend reflects the mandatory G2P architecture and is itself a substantive programme outcome.

## 5.2 Targeting Performance

Table 2 reports EGPP coverage trends and targeting errors in the two selected upazilas. Programme coverage expanded from 14.2 to 23.1 per cent of households between 2010 and 2022, with gains concentrated among poor and extreme poor households. However, substantial targeting errors persist: the inclusion error in 2022 stands at 27.2 per cent (non-poor households receiving benefits), while exclusion errors affect approximately 41.5 per cent of poor and 58.7 per cent of extreme poor households. These figures are broadly consistent with the CPD (2020) finding that EGPP exhibits the best targeting accuracy among five major SSNPs, while highlighting significant unmet need.

**Table 2: EGPP Coverage and Targeting Errors in Selected Upazilas (HIES Panel)**

Indicator	2010	2016	2022
% households reporting EGPP	14.2	18.6	23.1
% coverage among poor households	28.7	35.2	41.5 (received)
% coverage among extreme poor	41.3	52.8	58.7 (received)
Mean days of employment per beneficiary	72.4	78.1	82.6
Inclusion error (non-poor receiving) [2022]	—	—	27.2%
Exclusion error (poor not receiving) [2022]	—	—	41.5%
Exclusion error (extreme poor) [2022]	—	—	58.7%

Source: Author's calculations from HIES 2010, 2016 and 2022. Poverty classification based on division-specific poverty lines.

## 5.3 Binary Logit Estimates

Table 3 summarises the binary logit and panel fixed-effects odds ratios for the principal outcome variables. The cross-sectional estimates for above-median consumption (OR = 0.573,  $p < 0.001$ ) and food security (OR = 0.618,  $p = 0.002$ ) reflect the targeting of poorer households into the programme and should not be interpreted as negative impact.

The distress migration result (OR = 0.688,  $p = 0.026$ ) is of particular policy relevance: EGPP participation is associated with a 31.2 per cent reduction in the odds of lean-season out-migration, after conditioning on consumption, household composition, and geography. Distress migration carries significant social costs; family separation, child education

disruption, and income gains that are frequently smaller than those of programme employment net of migration costs; making this effect substantively important.

For women's independent mobility, the cross-sectional estimate (OR = 1.523,  $p < 0.001$ ) is strongly positive: beneficiary households are associated with 52.3 per cent higher odds of women reporting independent travel to market or health facility. This likely reflects the cumulative empowerment effects of female participation in a public-sphere worksite, mandatory bank account holding, and repeated engagement with formal financial transactions.

**Table 3: Binary Logit and Panel Fixed-Effects Estimates; Selected Outcomes**

Outcome variable	Cross-sectional OR (2022)	Robust SE	p-value	Panel FE OR	p-value
Above-median per capita consumption	0.573	0.087	<0.001	1.269	0.063
Household food security (3 meals/day)	0.618	0.096	0.002	1.366	0.028
No distress migration (lean season)	0.688 (mig.)	0.112	0.026	1.468	0.014
Women's independent mobility	1.523	0.171	<0.001	1.523	0.013
Asset accumulation (positive change)	—	—	—	1.206	0.162
Income diversification (improved)	—	—	—	1.165	0.236

Notes: Cross-sectional estimates: HIES 2022 (n = 1,784). Panel FE estimates: 3-round balanced quasi-panel (n = 5,352 observations). All specifications include household size, education of head, land ownership, sex of head, electricity access, distance to road/bank, microfinance membership, and other SSNP receipt. Odds ratios below 1 indicate lower probability of the outcome. For distress migration, the cross-sectional OR of 0.688 is for the migration outcome; the panel FE OR of 1.468 is for the 'no migration' outcome. \*\*\*  $p < 0.01$ , \*\*  $p < 0.05$ , \*  $p < 0.10$ .

#### 5.4 Multinomial Logit: Livelihood Strategy

Table 4 reports relative risk ratios from the multinomial logit, with agricultural wage labour as the base category. EGPP beneficiary households are significantly less likely to be in non-agricultural wage labour (RRR = 0.624,  $p < 0.05$ ), self-employment (RRR = 0.387,  $p < 0.01$ ), or mixed livelihood (RRR = 0.518,  $p < 0.05$ ) relative to the base. This reflects both the targeting of the most asset- and skill-poor households and, critically, the absence of a structured graduation pathway from EGPP: the programme provides one element (employment income) of the multi-element package required for livelihood transformation.

**Table 4: Multinomial Logit; Relative Risk Ratios for Household Livelihood Strategy (HIES 2022)**

Variable	Non-Agricultural Labour	Self-Employment	Mixed Livelihood
EGPP participation	0.624** (0.127)	0.387*** (0.091)	0.518** (0.114)
Education of household head (years)	1.084*** (0.024)	1.142*** (0.028)	1.097*** (0.022)
Land owned (acres)	1.218 (0.169)	1.894*** (0.241)	1.472*** (0.183)
Access to credit	1.342* (0.198)	1.673*** (0.224)	1.418** (0.186)
Microfinance membership	1.214 (0.158)	1.892*** (0.234)	1.486** (0.182)
Distance to urban centre (km)	0.894** (0.042)	0.821*** (0.039)	0.872** (0.041)

Notes: Base category = agricultural wage labour. Robust standard errors in parentheses. Observations = 1,784. Pseudo R<sup>2</sup> = 0.138. \*\*\* p < 0.01, \*\* p < 0.05, \* p < 0.10.

### 5.5 Panel Fixed-Effects Estimates

The panel fixed-effects estimates are the paper's principal causal identification strategy. By absorbing time-invariant cluster-level heterogeneity, they isolate within-cluster variation in EGPP exposure across the three rounds. Five findings stand out.

First, food security improves significantly within clusters following EGPP exposure (OR = 1.366, p = 0.028), implying a 36.6 per cent increase in the odds of three-meals-per-day food security. Second, the odds of avoiding distress migration rise by 46.8 per cent (OR = 1.468, p = 0.014), reinforcing the cross-sectional estimate under more demanding identification. Third, women's independent mobility rises substantially (OR = 1.523, p = 0.013). Fourth, the impact on consumption is positive and large in magnitude (OR = 1.269) but only borderline significant (p = 0.063), consistent with meaningful but partial consumption smoothing from 100 days of employment. Fifth, effects on asset accumulation (OR = 1.206, p = 0.162) and income diversification (OR = 1.165, p = 0.236) are positive but statistically weak, confirming that the programme effectively smooths consumption but does not, on its own, catalyse sustainable livelihood transformation.

### 5.6 Robustness

Principal findings are robust across four alternative specifications: probit (marginal effects within the 95 per cent CIs of logit estimates), nearest-neighbor PSM-ATT (food security ATT = +0.078, p < 0.05; distress migration ATT = +0.087, p < 0.05; women's mobility ATT = +0.103, p < 0.01), trimmed estimates excluding the top and bottom 2 per cent of the consumption distribution, and district-clustered rather than union-clustered standard errors. Variance inflation factors across all specifications are below 3.5, confirming the absence of problematic multicollinearity.

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## 6. IMPLEMENTATION ANALYSIS: TWO-UPAZILA CASE STUDY

### 6.1 Comparative Profile

Kurigram Sadar and Shyamnagar represent contrasting agro-ecological and hazard regimes. Kurigram Sadar (Rangpur Division, population approximately 265,000) lies in the northern riverine plain characterized by char land, recurrent flooding from the Brahmaputra-Jamuna system, and the historical *monga* seasonal hunger phenomenon. Shyamnagar (Khulna Division, population approximately 318,000) lies in the southwestern coastal zone adjacent to the Sundarbans, exposed to cyclones (Aila 2009, Amphan 2020), storm surges, salinity intrusion, and drainage congestion. Both upazilas have above-average poverty incidence and above-average EGPP beneficiary quotas, and both have been studied in prior evaluations.

Table 5 reports implementation performance indicators for FY2024-25 across the two upazilas. Shyamnagar exhibits weaker compliance across most operational dimensions: lower completion of full 100-day employment (62.8 versus 73.4 per cent), longer wage payment delays, lower sub-project completion rates (84.6 versus 92.7 per cent), and less technical supervision coverage (47.4 versus 61.3 per cent). These weaknesses reflect the operational complexity of working across 12 unions, several of which are remote island units accessible only by boat, imposing higher unit costs (BDT 521 versus BDT 478 per person-day). GRS utilization is low in both upazilas (5.7-8.2 per cent), indicating that the formal accountability mechanism remains under-developed at the local level.

**Table 5: Implementation Performance Indicators across Two Upazilas (FY2024-25)**

Performance Indicator	Kurigram Sadar	Shyamnagar
EGPP allocated beneficiaries (FY24-25)	5,840	6,720
% female beneficiaries	42.7	48.3
% receiving full 100 days of work	73.4	62.8
% reporting wage payment delay > 2 weeks	12.7	21.4
Sub-project completion rate (%)	92.7	84.6
% sub-projects with technical supervision	61.3	47.4
% sub-projects with maintenance budget	12.6	8.4
Cost per person-day (BDT)	478	521
Mean travel distance to bank branch (km)	3.4	8.7
% using GRS for any complaint	8.2	5.7
% reporting irregularity in selection	23.6	28.4

Source: Author's field consultations (October-November 2025), MoDMR upazila records, and HIES 2022.

## 6.2 Governance and Political Economy of Beneficiary Selection

The governance of beneficiary selection is the most consistently problematic dimension. Both upazilas exhibit patterns documented by Cho and Ruthbah (2018) and Kaiser and Uddin (2023): beneficiary lists cluster by ward and political affiliation rather than eligibility criteria alone; exclusion errors disproportionately affect households without local political connections, including new migrants, female-headed households without male representation, and ultra-poor households in geographically remote settlements. The formal public-display mechanism for draft beneficiary lists exists but is frequently perfunctory.

These patterns are not primarily a failure of programme design but reflect the deeper political economy of local governance. The Union Parishad is the only directly elected institution at the lowest governance tier, and its discretion over scarce public resources is central to local political competition. Reforming targeting integrity therefore requires combining technical interventions (rule-based verification via the National Household Database) with institutionalised social audits and accessible grievance redress; not technocratic fixes alone.

## 7. INTERNATIONAL COMPARATIVE EVIDENCE

Table 6 synthesises principal transferable lessons from five comparator programmes. Three meta-lessons emerge. First, no single programme constitutes a fully transferable model; effective reform draws selectively on multiple sources, calibrated to Bangladesh's institutional and political-economy context. Second, the most consequential international reforms involved fundamental architecture shifts; from discretionary to rights-based (MGNREGA), from stand-alone to integrated (VUP), from separate to interoperable (Indonesia DTKS); rather than narrow technocratic improvements. Third, the relationship between programme design and external context is decisive: MGNREGA's rights-based architecture functions in a context of strong civil society and electoral accountability; PSNP's graduation orientation functions where complementary livelihood services are co-financed.

**Table 6: Transferable Lessons from International Comparator Programmes**

Reform Dimension	Comparator	Key Feature	Implication for EGPP
Legal framework	India MGNREGA	Statutory rights-based entitlement	Transition from discretionary allocation to multi-year statutory framework
Wage indexation	India MGNREGA	CPI-AL indexed annual revision	Adopt formal indexation linked to rural CPI or agricultural wage
Graduation pathway	Ethiopia PSNP	Explicit benchmarks + HABP linkage	Design 'EGPP Plus' integrating skills, microfinance, asset-building

Labour-constrained HH	PSNP Direct Support; Rwanda VUP	Parallel UCT for labour-constrained	Consider direct support stream for households without able-bodied members
Shock-responsive financing	PSNP Risk Financing; Argentina	Pre-agreed contingency financing protocol	Develop contingency mechanism for climate and economic shocks
Social audit	India MGNREGA	Independent civil society audits	Institutionalise union-level social audits with public disclosure
Unified database	Indonesia DTKS	Single registry covering bottom 40%	Accelerate integration with National Household Database
Three-pillar integration	Rwanda VUP	Works + direct support + financial services	Reposition EGPP as working-age pillar of integrated architecture

Source: Author's synthesis from Imbert and Papp (2015), Sukhtankar (2016), Berhane et al. (2014), Galasso and Ravallion (2004), World Bank (2018, 2020).

## 8. POLICY IMPLICATIONS FOR THE POST-2026 NSPS

The integrated evidence base; HIES panel analysis, implementation case study, and international comparative evidence supports a coherent reform agenda structured around four priority areas and sequenced across three phases of the next-generation NSPS (2026+).

### 8.1 Strengthen Governance and Targeting Integrity

The most urgent priority is transitioning from discretionary committee-based beneficiary selection to a rule-based, data-driven system utilizing the National Household Database. Eligibility verification should cross-check land ownership, livelihood category, and household composition against multiple data sources, constraining the discretion that currently enables political instrumentalization of beneficiary lists. Alongside this, institutionalized third-party social audits at the union and upazila levels; modelled on MGNREGA's experience should be mandatory, with publicly disclosed findings and mandated response timelines. Biometric authentication linked to the National ID system should be accelerated to reduce ghost and duplicate enrolment risk.

### 8.2 Enhance Benefit Adequacy and Programme Quality

EGPP wages should be indexed to the rural Consumer Price Index (or agricultural wage rates) with annual transparent revision, preventing real wage erosion between discretionary adjustments. The MGNREGA CPI-AL indexation model provides a directly applicable template. The sub-project portfolio should be diversified beyond traditional earthworks to include social sector projects; early childhood development, community health outreach, school infrastructure maintenance and engineering supervision formalized through a MoU with LGED and the Water Development Board. A dedicated maintenance

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budget allocation (at least 5 per cent of project cost) should be mandatory for at least three years post-completion.

### **8.3 Develop a Graduation and Livelihood Pathway**

The multinomial logit results indicate that EGPP as currently designed does not facilitate livelihood diversification. An 'EGPP Plus' pilot; combining wage employment with financial literacy training, vocational skills development, savings group facilitation, and microfinance linkage should be designed and piloted in 8 upazilas in Phase I, scaled to 64 upazilas in Phase II, and mainstreamed by Phase III. Formal graduation benchmarks (asset thresholds, income levels, food security duration) should be defined, with progress tracked annually. Bangladesh's extensive domestic experience with BRAC's Targeting the Ultra Poor programme which Bandiera et al. (2017) show generates 37 per cent annual earnings gains with seven-year persistence; provides an evidence-based model.

### **8.4 Build Adaptive and Shock-Responsive Capacity**

EGPP's institutional location within MoDMR provides latent capacity for rapid scale-up during climate disasters, economic crises, and displacement events. This capacity should be operationalized through pre-agreed contingency financing protocols (with trigger criteria, expansion modalities, and financing sources identified in advance), integration of climate adaptation into sub-project selection, and formal protocols for transition across MoDMR programmes (EGPP, Test Relief, VGF, GR) during and after disaster events. A heat-action protocol calibrating work hours to climate-vulnerable seasons and geographies should also be developed.

### **8.5 Reform Sequencing**

A three-phase sequencing is recommended. Phase I (2026-28) emphasizes foundational reforms implementable within the current budget envelope: wage indexation framework design, NHD integration pilot, social audit piloting, EGPP Plus pilot design, and contingency financing protocol development. Phase II (2028-30) emphasizes national roll-out of Phase I reforms and scaling of EGPP Plus, requiring approximately 25-40 per cent budgetary increase above FY2025-26 baseline. Phase III (2030+) consolidates the redesigned architecture, with EGPP functioning as the rights-based working-age pillar of an integrated multi-pillar lifecycle system.

The fiscal cost of the full reform package is estimated at raising EGPP's share of GDP from approximately 0.10 to 0.14–0.16 per cent; well within the fiscal envelope of an expansion toward the ADB-recommended 5 per cent of GDP social protection benchmark for lower-middle-income countries.

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## 9. CONCLUSION

This paper has presented an integrated impact analysis of the Employment Generation Programme for the Poorest, Bangladesh's largest workfare programme. Drawing on a balanced quasi-panel of 1,784 households across three HIES rounds (2010, 2016, 2022), an implementation case study of two contrasting upazilas, and comparative evidence from five international programmes, we advance four main conclusions.

First, EGPP functions effectively as a counter-cyclical seasonal safety net. Panel fixed-effects estimates show that programme participation increases within-cluster food security odds by 37 per cent, reduces distress migration odds by 47 per cent, and increases women's independent mobility odds by 52 per cent; substantive impacts on the programme's principal stated objectives. The G2P financial inclusion architecture has generated a large dividend, particularly for women (94.7 per cent bank account ownership among female beneficiaries).

Second, significant targeting constraints persist. Inclusion errors of approximately 27 per cent and exclusion errors affecting 41.5 per cent of poor and 58.7 per cent of extreme poor households represent a substantial unmet mandate. The political economy of union-level selection is a structural driver of these errors that technical reforms alone cannot address.

Third, EGPP does not, in its current design, catalyze sustainable livelihood transformation. The multinomial logit results demonstrate that beneficiaries remain concentrated in agricultural wage labour, and the panel fixed-effects estimates on asset accumulation and income diversification are statistically weak. An explicit graduation pathway is the most critical design gap.

Fourth, the reform opportunities are timely and tractable. The imminent design of the post-2026 NSPS provides the strategic window for anchoring a sequenced reform agenda; integrating governance reform, wage indexation, graduation pathway development, infrastructure quality enhancement, and shock-responsive capacity building within a coherent evidence-based national strategy.

EGPP's first eighteen years have established the value of a well-designed seasonal workfare programme as an instrument of poverty mitigation and resilience-building. The evidence assembled here supports the feasibility of its next phase: transformation into a rights-based, lifecycle-aligned working-age pillar of a reformed national social protection system.

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