

# 3. Bangladesh

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## INTRODUCTION

Bangladesh is one of the most densely populated countries on earth. Much of the country is also prone to flooding. The Government recognizes that space should be meticulously planned, developed, and managed in a sustainable way. Rapid urban growth, which plays an increasingly significant role in the development economy, is challenging local governments in devising ways to develop and implement appropriate strategies to ensure sustainable urban development. Relevant statistics on the country are presented in Table 3.1.

This chapter provides an overview of issues affecting the planning and management of urban region development in Bangladesh. It also presents three good practice case studies related to governance and urban management in Chittagong, microcredit for the urban poor in Dhaka and other cities, and a civil society movement for the protection of the environment. The final section of the chapter presents strategies to enhance sustainable urban development, addressing the national urban pattern and individual urban centers.

## COUNTRY CONTEXT

Bangladesh is a small country with an area of 147,000 km<sup>2</sup>. It is predominantly an agrarian country experiencing rapid urbanization and economic transformation. In 1974, only 8.8% of the country's 76 million people lived in urban areas; agriculture provided over half the national gross domestic product (GDP) and accounted for about three quarters of the labor force. By 2004, the level of urbanization had increased to nearly 25% and the contribution of the agricultural sector to GDP had decreased to less than 20% (BBS 2005, p. 286). The share of agricultural workers as a proportion of the total labor force, however, had not fallen significantly, remaining at over 60%. The contribution of the urban sector to national GDP grew to nearly 42% in 1998–1999 from only 26% in 1972–1973 (CPD 2001). This share is probably close to 50% at present.

**Table 3.1: Country Development Profile, Bangladesh**

Human Development Index rank of 177 countries (2003) <sup>^</sup>	139
GDP growth (annual %, 2004)	5.52
GNI per capita, Atlas method (current \$, 2004)	440
GNI, Atlas method (current \$ billion, 2004)	61.2
GDP per capita PPP (\$, 2003) <sup>^</sup>	1,770
GDP PPP (\$ billion, 2003) <sup>^</sup>	244.4
Population growth (annual 2005-2010, %) #	1.82
Population, total (million, 2005)#	152.59
Urban population, total (million, 2005)#	38.13
Urban population percent of total population (2005)#	25
Population largest city: Dhaka (2005, million)	12.56
Population growth: 36 capital cities or agglomerations >750,000 inhabitants 2000#	
- Est. average growth of capital cities or urban agglomerations 2005–2015 (%)	34
- Number of capital cities or urban agglomerations with growth >50%, 2005–2015	3
- Number of capital cities or urban agglomerations with growth >30%, 2005–2015	20
Sanitation, % of urban population with access to improved sanitation (2002)**	75
Water, % of urban population with access to improved water sources (2002)**	82
Slum population, % of urban population (2001)**	85
Slum population in urban areas (million, 2001)**	30.40
Poverty, % of urban population below national poverty line (2000)**	36.6
Aid (Net ODA received; \$ million, 2003) <sup>^</sup>	1,393.4
Aid as share of country income (Net ODA/GNI, 2003, %)*	2.6
Aid per capita (current \$, 2003) <sup>^</sup>	10.10

GDP = gross domestic product, GNI = gross national income, ODA = official development assistance, PPP = purchasing power parity.

Sources: World Bank, World Development Indicators 2005; \*OECD, DAC, Recipient Aid Charts, 2003;

\*\*United Nations Millennium Indicators Database; #UN World Population Prospects: The 2002 Revision and World Urbanization Prospects: The 2003 Revision; <sup>^</sup>UNDP, Human Development Report, 2005.

## Population

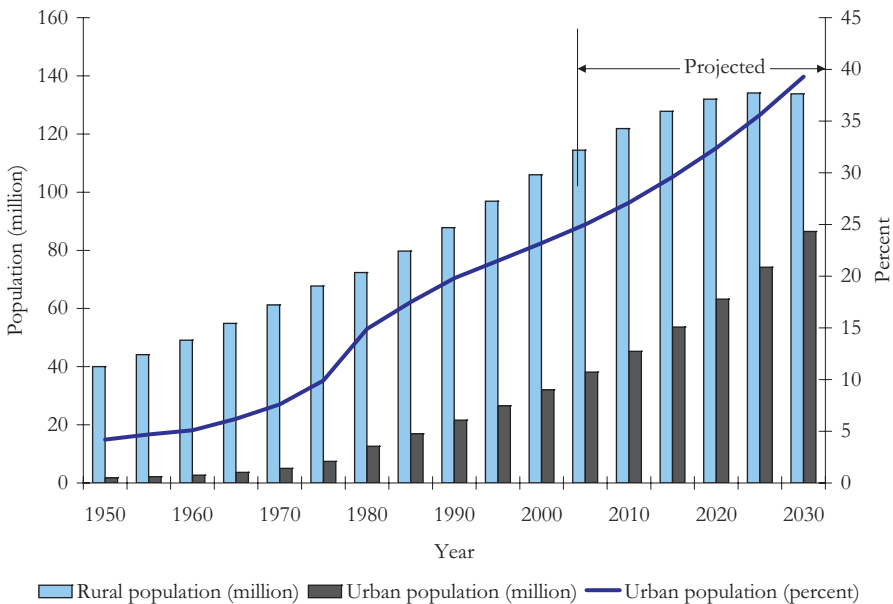
The population of Bangladesh in 2005 was estimated at more than 152 million. Since 1990, the national population growth rate has declined from 2.6% to 2.1% in 2005. It is projected to fall to 1.2% by 2025. Urban population growth rate was extremely high in the 1980s and 1990s, at over 7% annually (Table 3.2). It has fallen significantly since then, but still remains at over 4% per year (United Nations [UN] 2004).<sup>1</sup> It is expected to fall to around 3% by 2050. The total urban population in 2001 was nearly 29 million. The current urban population is estimated at 38 million and is expected to reach 74 million by 2035 (Figure 3.1).

**Table 3.2: Growth of Urban Population in Bangladesh, 1951–2001**

Census year	Total national population (million)	Annual growth rate of national population (%)	Total urban population (million)	Urban population as percentage of total population (i.e., level of urbanization)	Decadal increase of urban population (%)	Annual exponential growth rate of urban population (%)
1951	44.17	0.50	1.83	4.34	18.38	1.58
1961	55.22	2.26	2.64	5.19	45.11	3.72
1974	76.37	2.48	6.00	8.87	137.57	6.62
1981	89.91	2.32	13.56	15.54	110.68	10.03
1991	111.45	2.17	22.45	20.15	69.75	5.43
2001	123.10	1.47	28.81	23.40	27.38	3.25

Source: Government of Bangladesh Population Census 1981, Report on Urban Areas 1987 and Preliminary Report, Population Census 1991; and BBS 2005.

Viewed in terms of population density rather than percentage of population living in urban areas, the entire country will become a megalopolis or an urbanized country in the next 3–4 decades. Few places in the country, even in the remotest areas, will be within easy commuting distance of an urban center of reasonable size and function. Rural areas will also be urbanized with the penetration of urban services into rural households.

**Figure 3.1: Trends in Urban and Rural Population, Bangladesh**

## **Components of Urban Growth**

The urban population in the country has grown much faster than the rural population—that is, nearly three times as much during the past 3 decades. Rapid urbanization has occurred because of such factors as (a) a high natural increase in urban population; (b) territorial extension of existing urban areas and a change in the definition of urban areas; and (c) rural-to-urban migration. The last factor mentioned has been the dominant component of urban population growth, contributing 40% of national urban population change in 1974–1981. For some large cities, this share could be even higher, up to 70% (Khan 1982). The pattern has not changed much in the subsequent period.

### ***Spatial Imbalance in Urbanization***

At present, in spite of the overall low level of urbanization in the country, there is considerable spatial imbalance in both “meso regions” (i.e., divisions, former or “greater” districts and present districts) and microregions (subdistricts). There are 64 districts with varying levels of urbanization ranging from 60% to under 10%. The district of Dhaka is over 90% urban.

In terms of distribution or spacing of urban centers, each of the 64 districts has an urban center of reasonable size, primarily because of the administrative function of such centers. For the same reason, more than 60% of the 507 subdistricts (known as *upazila* or *thana*) have urban centers of municipal status with a population of over 15,000.

The distribution of urban centers according to population size is less uniform. Dhaka, the capital and largest city with over 12 million people, has about 38% of the total urban population. Dhaka is centrally located and the most accessible city from different parts of the country.

Chittagong, with four million people, is the second largest city. It is a port city located in the southeastern region. Khulna, with about 1.2 million people, is the third largest city and is located in the southwestern region of the country. Rajshahi, located in the mid-western zone, is the fourth largest city with a population of 0.7 million. These four large cities are the headquarters of divisional administration. Two other cities, Sylhet and Barisal, were given the status of a city corporation like the other larger cities. These two are also divisional headquarters and are located in the northeastern and southern regions of the country, respectively.

Two other secondary cities of reasonable size are Rangpur in the northwest and Mymensingh in the north central region. These are yet to attain metropolitan status. The northwest, northeast, and central south regions, therefore, do not yet enjoy the services of a large metropolitan city with substantial

economic strength. There are 305 *pourashavas* (or municipalities) besides the six city corporations plus another 211 small urban centers made up of 5,000–15,000 inhabitants. These small centers are distributed all over the country.

### **Urban Concentration**

Bangladesh's urban centers are widely distributed and its urban situation is basically one of primacy and concentration. As indicated earlier, Dhaka has a very distinctive single city primacy comprising 38% of the total urban population (Table 3.3). Dhaka's status as a primary city is historical and is likely to continue into the future.

The four largest metropolitan areas—Dhaka, Chittagong, Khulna, and Rajshahi—together contain over 56% of the total urban population of the country. The concentration is also lopsided in terms of economic activities. Dhaka City alone consumes about 50% of the total power consumption

Dhaka has a disproportionately large concentration of industrial and various public sector investments, despite the Government's declared policy of decentralization. For instance, more than 75% of the 4,107 export-oriented garment industries in the country are located in Dhaka. Concentration is also obvious in the social service, trade, commerce, and finance sectors. For example, 48 of the country's 54 private universities established in the last decade are located in Dhaka City. The situation is similar with respect to medical facilities. Nonetheless, some degree of industrial concentration is also taking place in the second largest city, Chittagong, because of its port.

In Bangladesh, all nonmetropolitan cities and towns having a district headquarters status may be considered secondary cities. These generally have populations of 50,000–500,000. In most urban project documents, however, metropolitan areas other than the capital or the primary city are considered secondary cities. Urban centers with populations of less than 50,000 are considered rural towns, as in the European Commission-supported Rural Towns Project.

**Table 3.3: Primacy of Dhaka in the National and National Urban Context**

Year	Population (million)	Percent of National Population	Percent of National Urban Population
1974	1.77	3.0	28.2
1981	3.45	3.8	26.0
1991	6.84	5.8	30.5
2001	10.71	8.0	37.4
2005	12.00	8.6	37.5

Source: Calculated from BBS 1994, and estimate for 2005.

## **Administrative Regional Structure in Bangladesh**

Bangladesh has a unitary form of government. For administrative purposes and convenience, the country is divided into six administrative divisions, each placed under a divisional commissioner. Each division is further subdivided into districts, with a district commissioner as the chief administrator. After the administrative reorganization in 1982, the country was divided into 64 districts. Twenty of these districts have existed for a very long period, while the rest were upgraded from subdivisions. The 20 old districts are now popularly known as greater districts. Below the district level are the upazilas/thanas (police stations) which currently number 507. In 1982, 460 of the thanas were upgraded to upazilas or subdistricts. With the abolition of the upazila system in 1991, the upazila regional administrative system reverted to the earlier thana structure. All divisional and district headquarters and most of the thana/upazilas headquarters are urban centers. Below the level of *thana* are 4,484 rural microareas known as unions and 59,990 villages. (BBS 2005:3).

The divisional level is the highest tier of administration after the national level and is headed by a divisional commissioner (popularly known as the commissioner). And since the division level office of each department is linked directly to its national office, the commissioner has only a supervisory role over all departments and agencies. With the establishment of regional (divisional) development boards in 1976, the commissioner also coordinates the development functions of all the district administrations. The regional development boards take on district board projects but do not finance them, as they lack the required expertise.

The district is the focal point in the administrative system of Bangladesh. The head of the district administration is known as the deputy commissioner. In addition to the administrative offices at the district level, which are linked to their respective higher offices, the office of the deputy commissioner is divided into several divisions and sections. Within its planning and implementation section, the annual and mid-term plans are prepared. The physical infrastructure section is responsible for construction throughout the district. If the construction is very small in nature, then it is under the jurisdiction of the thana administration. The rural development section administers rural development programs. The district and thana executives are assisted by a large number of officials and professional and technical personnel appointed by the central Government.

Besides the macro-, meso-, and microregions, there are special-purpose regions—macro in geographical coverage—and metropolitan or urban regions and urban areas. While large metropolitan regions such as the

Dhaka region can be larger than today's district, secondary city regions are usually microregions.

Local governments in urban and rural areas are entrusted to bodies elected by the people. Such bodies in the urban areas are called municipalities or *pourashavas* and currently number about 305. Rural elected bodies are called union *parishads*, or union councils, and number 4,484 (BBS 2005, p. 3).

For many years, the four metropolitan cities of Dhaka, Chittagong, Khulna, and Rajshahi nominated rather than elected mayors (heads of the municipal/city corporations). Members of the city corporation council, known as ward commissioners, were, however, elected from their respective wards. Since March 1994 though, the four largest metropolitan cities have had mayors directly elected. Two more *pourashavas* (Sylhet and Barisal) were upgraded to city corporation status and elected their respective mayors in 2005.

### **Efforts at Decentralization of Political Administrative Functions**

Since its independence in 1971, Bangladesh attempted several times to develop an acceptable local government structure to decentralize political power, administrative authority, and financial autonomy. The first major attempt was the creation of the district governor system in 1975. However, it could not be implemented because the government that designed it was overthrown after a bloody coup. Another major exercise was the introduction of the upazila (subdistrict) system in 1982, which created a regional hierarchy between the district and the union. Elected union *parishads* (councils) had earlier been an important tier of local government, and being numerous and small, they remained close to the people. With the establishment of the upazila system, the role of the union was diminished; the union regained importance after the upazila system was abolished in 1991. Between then and now, several attempts have been made to reform local government but inconclusive debates linger on the issue of the number of tiers—varying between two to five—and on the revival of the upazila system.

At present, four tiers of local government are recognized in the rural-regional context: the zila *parishad*, upazila *parishad*, union *parishad*, and gram sarkar. Of these, only union *parishads* exist as truly elected bodies, while gram sarkars (introduced in 2004) are composed of selected representatives. Theoretically, there could be some 22 zila (district) *parishads* and 460 upazila *parishads*, but these do not exist at present. There exist 4,484 union *parishads*, while the number of gram sarkars is over 40,000. The average population size of a union in Bangladesh is 31,000 and of gram sarkar

jurisdictions, about 3,500. The upazila parishad, whose average population was 300,000, was also physically accessible to the people as the average geographical area was only 320 km<sup>2</sup>.

The upazila seems to be an ideal area size and demographic unit of local government in Bangladesh and the demand for its revival is fairly strong. However, its practicality is questioned in view of a possible conflict of interests between the upazila parishad leadership and the local members of parliament.

The urban local government structure has basically remained unchanged for a long time. It is a two-tier structure with city corporations for the largest six cities, and *paurashavas*/municipalities for the 305 municipal cities and towns. Very small urban centers are administered as nonmunicipal rural entities under the union parishad system. Urban local governments, as well as the rural union parishads, are formed through a democratic election process, with the mayor/chairperson also elected by direct vote of the citizens. Urban local government elections are very well attended. Women may also be elected by direct vote, both in common seats and reserved constituencies, unlike under the previous system when they were nominated by directly-elected members, almost all of whom were men. At least one large municipality (Narayanganj, which has a population of about 500,000) has a woman chairperson elected directly—the first time in the history of municipal governance in Bangladesh.

Although urban local governments are elected through a democratic process, they do not enjoy any significant autonomy. Neither do they enjoy political, administrative nor financial power. Central government control and intervention or interference occur at various stages of governance. Urban local governments cannot even appoint a junior-level employee without approval from the Ministry of Local Government, Rural Development, and Cooperatives. However, despite such limitations, some urban local authorities have tried to find ways and means to introduce programs for better service delivery in their respective cities. (One such city, Chittagong, has been selected as a good practice case study in this chapter).

While city governments are controlled by the central Government, there is also lack of devolution of authority within the city government's structure. Conceiving a very large city, such as Dhaka, as a city corporation and as a single local government unit does not conform to the concept of decentralization because its population is as large as, or even larger than, a district. Although such cities are subdivided into smaller wards, such units seldom have any functional or financial power, or human resource capacity. The quality of local leadership may also be questionable, along with their commitment to the economic and social development of their constituencies.



## **The National Development Planning Process**

Bangladesh has a tradition of centrally-planned development. The Planning Commission, headed by the Prime Minister, is the central planning agency entrusted with the responsibility of national development planning activities. The Planning Commission acts under the general guidance and control of the National Economic Council (NEC), which is the highest policy-making body in matters of socioeconomic development.

The NEC is chaired by the Prime Minister, and all cabinet ministers are members of the NEC. The council provides overall guidance to the Planning Commission at different stages of formulation of 5-year plans, Annual Development Program (ADP), and economic policies. The NEC also finalizes and approves development plans, programs, and policies recommended by the Planning Commission. NEC reviews ADP performance and the implementation of plans, and deliberates on important economic problems and issues. There is also the executive committee of the NEC, headed by the finance minister. It meets more frequently to approve major development projects and to consider economic issues. It coordinates all major development and planning activities.

The Bangladesh Planning Commission was set up immediately after Independence in 1971. The first Five-Year Plan covered 1973–1978. This was followed by an interim Two-Year Plan (for 1978–1980). The second Five-Year Plan covered 1980–1985, and the third Five-Year Plan, 1985–1990. The fourth Five-Year Plan covered 1990–1995, and was essentially prepared in keeping with the objectives of a Perspective Plan (1990–2010). The fifth Five-Year Plan covered 1996–2001. Five-year development planning was discontinued after 2001. Instead, a poverty reduction strategy paper or PRSP was prepared and adopted in October 2005 for 2005–2015, to be implemented as a series of 3-year rolling plans during that period.

Development planning in Bangladesh has traditionally taken a sectoral rather than a regional or spatial approach. However, regional development thinking has not been totally absent; sectoral allocations to regional entities, such as divisions and districts, have been made to a certain extent. In addition, special-purpose regions are recognized and some resources allocated accordingly. The concept of planning and development of metropolitan regions also exists, such as in the four largest cities. For all other urban areas, development approaches are in terms of urban centers (pourashavas or municipalities) or urban areas.

## **Regional Planning and Development**

Regions have been identified for administrative, economic, physical planning, and development purposes. The special-purpose regions were identified

for planned development on a priority basis during the late 1970s.<sup>2</sup> They were the (a) Chittagong Hill Tracts (in the southeastern region), (b) Haor Basin (in northeastern region), (c) Barind (in the northwestern region), and (d) Offshore Islands Region in the south. Separate development boards were created to implement development programs in these four special regions, which had been identified as lagging socioeconomically. In addition, development boards were also formed for the four administrative regions or divisions of the country. These approaches provided some scope for regional development planning.

After creating the upazilas (or subdistricts) over the former thanas in 1982, special allocations were made for the planned development of the upazilas. In the draft fourth Five-Year Plan, upazila development received a separate allocation—a "block allocation"—forming 4.7% of the total allocation and 7.7% of the public sector allocation. These allocations were made to the upazila parishads; the local government authority at that level. Thus, upazilas received the benefits of both sectoral as well as upazila allocations. Allocations made to upazilas redirected sectoral investments in favor of smaller projects taken within the upazilas. With the shift from the upazila system to the thana system in 1991, the allocations of development funds at that level have been somewhat reduced. Allocations were also made in the Five-Year Plan for large metropolitan city authorities and municipal towns and cities, which have been kept out of the upazila system.

The fourth Five-Year Plan referred to decentralized participatory planning as the most critical input and output for planning, and identified a hierarchical order of spatial/territorial organization in terms of planning and implementation. This consisted of village development programs, union development plans, thana (former upazila) plans, district/regional plans, and the national plan.

Unlike the Five-Year Plans, the PRSP does not make any provision for urban and regional planning and development nor does it place any emphasis on comprehensive development of cities. There is no section on urban development or housing as there had been in previous Five-Year Plans. However, in the section on the environment, improving the lives of slum dwellers is mentioned (following Millennium Development Goal [MDG] Goal 7 and Target 11). This section of the PRSP refers to the adoption of a national policy on urban development (GED, Planning Commission 2005, p. 284).

Whether the PRSP considers metropolitan planning or not, it will be put into practice there because the four largest cities have their own planning and development authorities. The total area covered by the four metropolitan planning regions does not exceed 2,500 km<sup>2</sup>, the largest being the Rajuk

Region for the Dhaka metropolitan region of about 1,530 km<sup>2</sup>. The secondary cities (district and upazila towns) are to be offered urban planning services by the Urban Development Directorate (UDD) of the Ministry of Housing and Public Works (MHPW) and the Local Government Engineering Department (LGED) of the Ministry of Local Government, Rural Development and Cooperatives (MLGRD&C).

## Urban Development and Governance

Bangladesh has only a recent record of planned urban development. Efforts were made in the 1960s and the 1970s for a national urban planning system, which would have taken into consideration such aspects as location, size, spacing, and function of urban centers; however, this remained a “paper plan.” Instead, planned development was considered on an individual city basis. The four largest cities were brought under master plans in the late 1950s and early 1960s. Each city was given an urban planning and development authority to prepare master plans and to develop the cities in keeping with such plans. These authorities, RAJUK for Dhaka, Chittagong Development Authority for Chittagong, Khulna Development Authority for Khulna, and Rajshahi Development Authority for Rajshahi, prepared plans through support either from the United Nations (UN) or local private consulting groups as their own in-house planning capability was very limited. Development authorities are now able to prepare some local area plans.

Development authorities undertake schemes as recommended in the master plans and are under the jurisdiction of the Ministry of Housing and Public Works. By contrast, urban local governments, referred to as city corporations, are under the jurisdiction of the MLGRD&C. City corporations are responsible for carrying out a variety of functions, including conservation, maintenance of roads, street lighting, maintenance of parks and playgrounds, lakes, and delivering various social services. Several other agencies are also responsible for different urban services, such as water, sewerage and drainage, transportation, gas, telephone, security, education, health, and other services. In Dhaka, 41 different government organizations are involved in the city’s planning and development activities (Islam 2005). Such a multiplicity of organizations creates problems in coordination and good governance. In Dhaka, the problem has been so serious that a separate committee for good governance and development for the city was established under the Office of the Prime Minister.

For other large cities, coordination and governance problems are generally settled through the initiative of their respective city mayors. For the other

secondary cities and towns, which do not have separate urban planning and development bodies, responsibility for initiating urban plans rests with the city government, that is, the pourashavas. However, since pourashavas lack their own urban planners, master plans are normally prepared for them by either the UDD, LGED, or private consultancy firms under their supervision. Some support is now being given to 22 secondary cities in setting up urban planning departments or cells within their offices under the ADB-financed Urban Governance and Infrastructure Improvement Project (UGIIP).

### ***Problems of Urban Development***

Urbanization in Bangladesh poses two kinds of challenges: addressing the unbalanced structure of urbanization in the country and marshalling the efforts needed to solve the problems of individual urban areas or cities. At the national level, there is yet no policy on urbanization although efforts have been made to formulate one. Currently, a review of the status of urbanization in the country is being carried out through the Committee for Urban Local Governments headed by the minister for LGRD&C. This committee is expected to recommend a more balanced pattern of urban development as well as better governance of individual cities.

At the individual city level, there are innumerable problems not only in the large urban areas but also in small urban centers. Their problems vary in dimension. These include

- a weak economic base in most towns and cities. Poverty and inequality are common problems. Urban poverty reduction has not been a priority in public policy;
- inadequate urban utility services (water, sanitation and sewerage, electricity, gas, fuel, telephone, solid waste management, etc.);
- insufficient transport facilities and poor management of traffic. This situation leads to traffic congestion in most cities and towns, particularly in Dhaka City. Congestion causes huge financial losses in terms of time wasted as well as air pollution, which in turn has economic and health implications;
- inadequate education, health, and recreation services, both in quantitative and qualitative terms;
- housing problems, which are particularly serious for those in the lower-income strata. The problem manifests itself in the proliferation of slums and squatter settlements, especially in large cities;
- deteriorating environmental conditions in cities and towns. Air pollution, water pollution, and even sound pollution in cities and towns

are emerging as major concerns. In Dhaka City, environmental problems have reached serious proportions. Moreover, illegal occupation of open spaces, parks, gardens, lakes, rivers, and other water bodies, and the irrational leveling off of hills and cutting down of trees have further degraded the urban environment;

- deteriorating law and order situation, manifested in the escalation of crime and violence and the feeling of insecurity among the urban population. Suicide bomb blasts and other forms of religiously motivated terrorist attacks are a more recent worrying phenomenon;
- social problems, especially child abuse and oppression of women, are prevalent. Prostitution is a serious social problem. Drug addiction among the youth is a recent problem. Begging on city streets is also a problem; and
- problems related to the preservation of sociocultural heritage.

### **The Root Cause of Urban Problems: Poor Governance**

The root of these problems can be traced to one or more major concerns. The absence of urban planning, lack of financial resources, and the weak implementation of plans, if any, aggravate the above crises.

However, ineffectual urban governance is probably the single most serious cause of such problems—lack of accountability or transparency and inefficiency on the part of those responsible for governance, and the lack of awareness and the absence of organized movements among ordinary people. There is lack of adequate devolution of power and authority to urban local bodies from the central government and similarly within the city authority to devolve power and responsibility to the lower-level hierarchy, such as the wards. Inadequacy of qualified professionals is also a major limitation in establishing good governance. Absence of good leadership at the city level is a very major concern.

### ***External Support to the Urban Sector***

Despite the absence of a comprehensive policy, the urban sector has received attention from the Government and various development agencies. The many donor agencies active in the sector include ADB, European Commission, Japan International Cooperation Agency (JICA), United Kingdom Department for International Development, United Nations Children's Fund (UNICEF), United Nations Capital Development Fund (UNCDF), United Nations Development Programme (UNDP), United States Agency for International Development (USAID), World Bank, and other bilateral donors. ADB has been the leading donor agency in the urban sector in recent years.

Early support from external agencies came from UN organizations. UNDP and the United Nations Centre for Human Settlements – Habitat offered assistance on situation analysis and urban policy formulation. UNCDF extended support in squatter rehabilitation. UNDP assisted with funding and the provision of technical personnel in preparing master/structural plans for Dhaka and Chittagong. UNDP also supported an urban poverty alleviation project and a small environmental project. The World Bank offered assistance in upgrading slums and improving the environment in Dhaka and low-income housing in Chittagong. Later, it also provided support to municipal service improvement through the Municipal Service Project and is currently supporting the Municipal Development Fund. The World Bank has also extended assistance for the Saidabad Water Treatment Plant for Dhaka Water Supply and Sewerage Authority, as well as the Dhaka Urban Transport Project.

UNICEF was a pioneer in slum improvement assistance, covering more than 25 cities around the country. The project has undergone a series of transformations. JICA has supported environmental improvement and flood control studies, and assisted Dhaka City Corporation in preparing the Solid Waste Management Master Plan.

ADB has provided assistance in both service deliveries, such as in primary health care, institutional development, and urban governance improvement. Its support to UGIIP covers 22 secondary cities and should have a significant impact on urban development. ADB's interest in supporting the improvement of the housing sector, land management, and urban poverty reduction could not be adopted as a realistic project for various reasons. ADB has also supported an urban sector review, the recommendations of which may be utilized by the government-appointed Committee for Urban Local Governments.

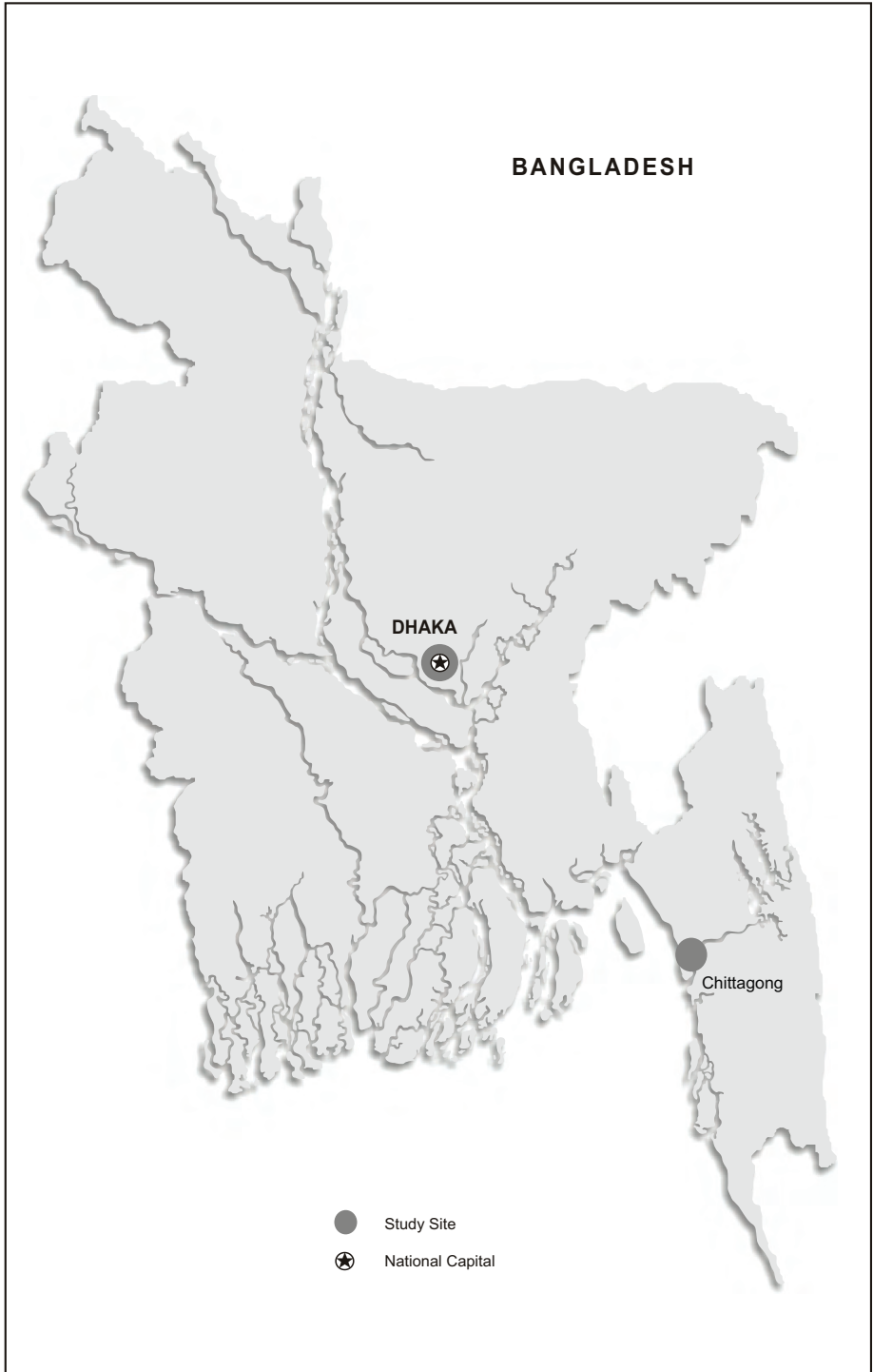
USAID's recent contribution has been its support to the improvement of urban institutional reforms, especially in organizing municipal representatives. This support resulted in the formation of the Municipal Association of Bangladesh in 2004. The Association is actively engaged in articulating its demands for greater authority for urban local bodies.

Notable among the international nongovernment organizations (NGOs) that have been extending support to the urban sector are CARE Bangladesh and Plan Bangladesh. However, external support received by Bangladeshi NGOs for economic and social improvements for the urban poor is probably on the wane.

## **GOOD PRACTICE CASE STUDIES**

Three case studies have been selected as examples of sustainable development in Bangladesh:

**Figure 3.2: Map Showing Location of the Case Studies**



*Chittagong City Corporation initiatives*, a study on service delivery and resource mobilization, illustrates how a local government works for the benefit of its citizens in spite of central government controls and restrictions. The importance of good governance and the leadership role of the mayor are particularly exemplary for Bangladesh.

*Shakti Foundation Microcredit Program* for poor urban women was started 12 years ago in Dhaka. It has been replicated in 11 secondary cities involving 140,000 households. Shakti is a pioneer urban finance program developed after the Grameen Bank model. It focused on large NGOs working on poverty alleviation.

*The Bangladesh Environment Movement or Bangladesh Paribesh Andolon (BAPA)*, a nationwide environment movement that has distinguished itself as a significant civil society movement, is fully funded by local or expatriate Bangladeshis. The program has been important in improving public knowledge about the environment and sustainability.

### **Chittagong City Corporation: Dynamic and Innovative Leadership**

Chittagong is the second largest city in Bangladesh, with a current population of about 4 million. The population is growing rapidly at nearly the same pace as Dhaka. Chittagong is the principal seaport of the country and the second most important industrial center, with more than 40% of the country's heavy industries located there. Chittagong also accommodates 20% of the export-oriented garment industries.

GOOD PRACTICE	
Good Governance	✓
Urban Management	
Infrastructure/Service Provision	✓
Financing and Cost Recovery	
Sustainability	
Innovation and Change	
Leveraging ODA	

Chittagong is an old port city but its history of development as a planned city began only in the 1960s with the establishment of the Chittagong Development Authority. Chittagong City Corporation (CCC) is the urban local government unit responsible for overall governance. Its municipal governance, however, dates back to 1863. Constrained by the limitations set by the City Corporation Ordinance or the Pourashava Ordinance, city corporations and pourashavas in Bangladesh normally do not enjoy any significant power or authority to mobilize resources on their own nor to undertake major development programs of commercial interest. They generally depend on the central Government to bring such programs to their cities. However, they can propose such programs or projects to the Government. Chittagong, under the dynamic and innovative leadership of its mayor, ABM Mohiuddin Chowdhury,



broke through the system and initiated sustainable social, economic, and environmental projects.

Due to sound leadership, Mayor Chowdhury was recently elected mayor for the third consecutive time. This is a rare occurrence in contemporary Bangladesh politics, particularly since the mayor is from the opposition party. His uniqueness lies in his pro-people approach, which takes up socially beneficial projects. He also tries to make his projects financially self-sustaining. CCC has regularly mandated programs on civic infrastructure development, garbage disposal, maintenance of parks and playgrounds, etc., but has extended its services to such other areas as education, health, environmental protection, preservation of hill areas, disaster management, establishing a compressed natural gas (CNG) plant, supplying water to poor communities, power plant installation, a pharmaceutical factory, garbage recycling plant, and shopping complexes.

City corporations normally are not expected to run institutions of higher education, such as colleges or universities, nor operate higher-level medical facilities or medical schools. However, Mayor Mohiuddin Chowdhury has led CCC to shoulder such responsibilities which, he says, are merely responses to the needs of the citizens that at the same time help the city corporation strengthen its financial position. Examples of some such initiatives in Chittagong follow.

### ***Garbage Disposal and Activities of Shebok***

The CCC has produced an example of efficient garbage disposal and city cleaning activities through the input of its manual workers (around 1,800 staff and officials) named “Shebok”—friends who help keep the city clean—and who have been operating since 1994. Chittagong City is well known as the “clean and green city” of the country, a model for other cities. Chittagong won the honorable Prime Minister’s award, first prize, as the “Clean and Green City” in 2002–2003.

### ***Environmental Protection and Improvement***

A tree-planting program has been undertaken throughout the city for the last decade to beautify and protect the quality of its urban environment. The road islands, footpaths, medians, parks/gardens, and others, are decorated with different types of trees, plants, shrubs, and bushes. Many persons are employed for the maintenance of this planting activity. CCC recently took adequate measures to mitigate air pollution caused by a range of vehicles in the city through the establishment of a CNG plant. This is the biggest CNG plant of its kind so far in the country. In Dhaka City, private sector enterprises had set up CNG plants on lands leased from the government.

### ***Educational Institutions***

In the words of the CCC mayor, “We know that education is the backbone of a nation, but we have around 50% of our population who are still illiterate. So, we have undertaken programs to encourage all people to send their children to primary schools” (Chowdhury 2005). The Education Department of CCC operates 6 kindergarten schools, 2 primary schools, 41 secondary schools, 8 girls’ colleges, 5 computer institutes/colleges, 1 health technology institute, 1 midwifery institute, and a university named Premier University. Many young people leave these institutions every year with adequate academic knowledge and professional skills to serve the country.

### ***Health Service***

To reduce the high maternal and child mortality and morbidity rates, CCC established six maternity hospitals and 60 health-care centers in different parts of the city. The aim is to ensure accessibility for underprivileged and deprived people to cheap health-care services, especially for female garment workers living in the city who have limited access to good urban services. CCC also started six health centers in the evening shift for this group of people to provide health services with nominal fees. Besides these, the Health Department of CCC operates a TB Clinic, Expanded Program on Immunization, leprosy program, HIV/AIDS program, school health program, adolescent health education, disaster management program, orphanage, and other services. CCC is planning to establish a referral hospital, medical college, HIV/AIDS screening hospital, cancer hospital, and a home for the aged in the city.

### ***Disaster Management***

Cyclones, storm surges, floods, and earthquakes are the major natural hazards in the Chittagong region. CCC is trying to develop necessary awareness programs as well as infrastructure to cope with such events. The city is under threat from earthquakes. In response, the CCC has held motivational programs on various occasions to generate awareness among the public and to develop adequate preparedness regarding earthquake disaster risk mitigation.

### ***City Pharmaceuticals Factory***

Chittagong City Corporation recently inaugurated the establishment of a pharmaceutical factory to support its hospitals and health-care centers by providing cheap, good quality medicines and supplies. The factory is under-

taking regular production of some essential medicines and should be able to generate income for the CCC.

### ***Water for the Poor***

Supplying drinking water for the people of Chittagong is the responsibility of the Chittagong Water and Sewerage Authority (C-WASA). C-WASA is unable to provide water to all, especially the poor in low-income areas and slums. CCC has taken the initiative of supplying water to such areas in mobile tankers at fixed water points. The water tankers distribute water at over 130 points in the 41 wards of the city. This has helped the poor immensely.

### ***Lessons Learned***

The innovative ventures of the mayor of Chittagong have shown that drive and dynamism often help overcome limitations. Municipal services are meant for the people. If people need and demand such services, and if the city can come forward with positive responses, the people will welcome such initiatives. The mayor of Chittagong has earned enough credibility to muster such responses even if he belongs to the opposition. All CCC projects are designed not only to serve the people but also to be financially viable. Many projects are also complementary and are run as socially-oriented commercial ventures.

### **Urban Credit Program of the Shakti Foundation**

As Bangladesh is one of the poorest countries in the world, eradicating poverty has been a major concern for many in the country. Through Professor Mohammad Yunus and microcredit, the country is a great pioneer in poverty alleviation. Bangladesh now leads the world in microfinance operations. In 2000, the number of microcredit borrowers throughout the world was 9 million, of which more than 5 million were from Bangladesh (Azad, *Banglapedia 2003*, Vol. 6, p. 479). Most borrower families have been able to move out of poverty. More than 90% of the microcredit borrowers in Bangladesh are women. The credit program has not only pulled millions of households out of poverty, but has also made a tremendous impact on social emancipation by empowering women and

GOOD PRACTICE	
Good Governance	
Urban Management	
Infrastructure/Service Provision	
Financing and Cost Recovery	✓
Sustainability	
Innovation and Change	
Leveraging ODA	

encouraging them to send their children to school, to seek better health care, and to demand greater domestic and political rights.

Most NGOs providing microcredit do so in rural areas, where the majority of the poor live. Professor Yunus began his Grameen Bank operations in 1976. Grameen is yet to extend a credit program in urban areas but in the 3 decades since the Grameen Bank began, poverty in urban areas in Bangladesh has assumed massive proportions. Nearly 37% of 35 million urban dwellers live in poverty. The number of urban poor is rising sharply with the migration of the rural poor to urban areas. The need and demand for access to microcredit facilities have grown in equal proportion.

The first major initiative in providing microfinance in urban areas began in 1992, when the Shakti Foundation for Disadvantaged Women introduced its scheme in Dhaka. The urban credit program of Shakti Foundation is based on the Grameen Bank model of group organization and financial transaction. The major activity is financial assistance to poor women. Over the years, in response to the needs of the members, some nonfinancial services have been added as supplementary to the main program. Thus, it has gradually become an integrated scheme reaching disadvantaged women and empowering them.

Within 5 years of its initiation in Dhaka, the success of the program encouraged its replication in Chittagong. Currently, the program is being implemented in 12 cities and covers over 159,000 families. The Shakti Foundation has so far disbursed about TK5,500 million (\$76 million) in the broad categories of trading, processing, manufacturing, and services (Islam, H. 2005).

The main thrust of the urban credit program is focused on the general loan scheme. Microcredit ranging from TK4,000 to TK5,000 is called a general loan. This loan is given to most people in the organization to support income-generating activities. All members of the Shakti Foundation are eligible for this loan, provided that they meet the membership criteria and utilize their loans for income-generating activities. Larger loans are given for microenterprises. As an organization, the Shakti Foundation follows a very modern management system that is fully decentralized to the city and branch levels, even in the recruitment of personnel and financial decision making.

In Dhaka, where Shakti has over 105,000 borrowers, at least one third have crossed the poverty line (Parveen 2004) and many have improved their economic condition substantially, graduating from microfinance borrowers to microenterprise borrowers to profitably utilize amounts 20–50 times greater than their initial loans of only TK5,000. At least 10% of the borrowers have moved to the lower-middle income category. Many have become able entrepreneurs and run microenterprises employing 10–30 workers. Many borrowers have moved to better shelters, regularly send their children to school, and seek modern allopathic treatment instead of going to “quack doctors.”

In short, there has been significant achievement in poverty alleviation through urban microcredit. It is no longer Shakti or a few NGOs offering the service. In Dhaka City alone, nearly 100 NGOs are engaged in the activity and they are also spreading to other cities.

Poverty in urban areas is a harsh reality. Most of the poor live in city slums; MDGs aim to reduce poverty and improve the lives of the slum dwellers. Microcredit programs like that of the Shakti Foundation in Bangladesh can play a significant role in achieving the MDGs. A concerted effort by the government, NGOs, and donors is recommended.

### **Bangladesh Poribesh Andolon (Bangladesh Environment Movement)**

Tremendous population pressures, poverty, greed, unwise planning, and poor governance in general have all worked together in causing serious degradation of the environment in Bangladesh. In addition to natural hazards like flooding, cyclones, and riverbank erosion, there are also many human-induced problems like deforestation, the filling in of water bodies, and leveling of hills. Rural habitats also suffer from massive contamination of underground water from arsenic. In the urban areas too, there is large-scale degradation of the environment.

GOOD PRACTICE	
Good Governance	
Urban Management	✓
Infrastructure/Service Provision	
Financing and Cost Recovery	✓
Sustainability	
Innovation and Change	
Leveraging ODA	

Being an alluvial deltaic plain, most cities in Bangladesh are located along rivers, with numerous water bodies in and around the cities. But with an increasing population, poor or no urban planning, and poor management, water systems have been seriously affected. Most water bodies in the cities have been unwisely filled up and canals and rivers grossly encroached on, resulting in inadequate drainage and causing serious problems of waterlogging after every major downpour. The rivers and canals in and around the cities are also becoming heavily polluted due to the uncontrolled emission of untreated effluents from factories. Untreated sewage is also being directly discharged into the rivers. Most water bodies are polluted in varying degrees. In the large cities, like Dhaka and Chittagong, the number of motorized vehicles has greatly increased. Combined with poor enforcement of legal instruments, increasing vehicular traffic has caused serious air pollution. Poor governance and greed have provided scope for encroachment into parks and lakes of cities, sometimes totally destroying such essential recreational spaces.

BAPA was established in 2000 by a number of concerned citizens of Dhaka to address environmental degradation (BAPA 2005). In 1997, the same group of people had formed an environmental organization named POROSH (Commitment to Environmental Protection); the name was changed to BAPA after an International Conference on Environment in January 2000 in Dhaka. BAPA later held two more international conferences; one on environment in general in 2002 and the second on the proposed Indian River Linking Project in 2004. Within a span of only 5 years, BAPA has become almost a household name, not because of organizing international conferences and seminars but because of its continuing strong activist programs, protesting against any type of action detrimental to a healthy environment. BAPA has also spoken out against projects undertaken, or being proposed or planned outside the borders of Bangladesh that have serious negative implications for the country.

At the city level, BAPA takes a very active role in monitoring projects that have the potential to have an impact on the environment, irrespective of size. Dhaka used to be a city with an extremely high level of air pollution, especially in lead and carbon contamination. BAPA campaigned against leaded petrol and the presence of two-stroke engines in three-wheeler taxis. After a series of dialogues with the city government, motor vehicle pollution reduction measures were introduced to phase out leaded petrol, ban two-stroke engine taxis and replace them with four-stroke engine taxis, and introduce catalytic converters for motor vehicles. The result has been a substantial reduction in vehicle emission pollution levels.<sup>3</sup> Similar measures were introduced in Delhi, India (Bell et al. 2004).

BAPA has also successfully campaigned against the rampant use of nonrecyclable thin plastic bags. The production and sale of such bags has been declared illegal. The organization has been persistent in its fight against encroachers into the River Burhiganga, the lifeline of Dhaka City, but with only partial success because the interest groups are too powerful and unscrupulous for BAPA and the concerned government authority. BAPA has been successful in stopping some government departments from converting playgrounds into housing projects or from parks into commercial complexes. As yet, achievements in other areas of environmental degradation have been modest.

BAPA's success is to be found in the spirit of making people more aware of the problems of environmental degradation and convincing them to organize to fight against careless members of the populace. The impacts of this effort are now clearly visible. Within the span of only half a decade, many environmental groups were established and have expanded in Dhaka, Chittagong, and other large and medium-sized cities. Citizens' environment

action groups have been developed in the neighborhood as well as at the city level. On occasions, many of these organizations get together with BAPA.

In recognizing BAPA's commitment to the cause of environmental protection, the Dhaka City Corporation, Ministry of Environment, MHPW, the MLGRD, and the Office of the Prime Minister have invited BAPA to participate actively in the decision-making process in matters of environmental development activities.

It is useful to note that BAPA is a civil society organization run completely with the members' own funding and has so far avoided taking any funds from external donors, and even the Government. Expatriate Bangladeshis have, however, supported BAPA on a regular basis both with funds and technical expertise. But local expertise, professional inputs, and financial support essentially keep BAPA going. The organization is managed by a national committee, an elected executive committee, and a very small office staff. The membership of BAPA can rightly claim to have an assembly of some of the finest dedicated professionals, environmental and social scientists, intellectuals, and other activists of the country. They include former ministers, advisors, vice-chancellors, professors, engineers, doctors, architects, planners, social activists, and media people.

### ***Lessons Learned***

The organizational structure, objectives, and style of activities of BAPA and its success or limitations indicate the need for such a civil society movement in a society that is highly vulnerable to both natural disasters and human-induced environmental crises. In a situation where political or bureaucratic leadership is either insensitive or inefficient, and where the private sector or even some individual citizens are highly anti-environment or antisocial, it is absolutely essential that civil society and professional groups take a strong position for sustainable development. BAPA has shown that committed and concerted action can yield results. Environmental activist organizations should network with each other across cities and across international borders.

## **STRATEGIES TO ENHANCE SUSTAINABLE URBAN DEVELOPMENT**

Bangladesh is struggling to develop and implement sustainable policies and approaches to urban development. There are many priority matters requiring attention. The following four policy areas are considered priority if the country is to improve its approach to and achieve more sustainable urban development in the future.



## **A National Urban Policy for Balanced Urban Development**

Policy makers and planners at the national level, such as in the Bangladesh Planning Commission or in the Ministry of Planning, need to sit together to formulate a national urban policy. Although the Planning Commission could be the ideal host for this task, a committee has been formed in the Ministry of Local Government and Rural Development under the chair of the minister in charge of framing such a policy. The policy should aim at guiding the pace of urbanization (especially in reference to rural-urban migration), and moderating population density by encouraging decentralized development and growth of secondary cities. Geographical imbalances in urbanization can partly be reduced by providing greater incentives and development support to lagging regions. Regional planning may be considered a viable alternative or at least a strong complement to sector-based economic planning. As the Government has adopted a poverty reduction approach to national development, the spatial dimension in poverty reduction is expected to be given more attention. Otherwise, pockets of poverty will continue to push the poor into metropolitan areas.

## **Promoting Planned Urban Region Development**

In the context of enhancing sustainability of individual urban regions or centers, the most appropriate strategy is to promote good governance. This should ensure good and effective leadership (like that of the mayor of Chittagong City Corporation), transparency and accountability, efficiency and integrity, qualified professionals, and a skilled workforce. However, most importantly, urban local bodies should be given greater power and authority to run their cities. Real devolution of power is essential. At the same time, local urban bodies should be sufficiently self-reliant in financial terms. But financial support from the central Government and development partners may be needed until local bodies acquire adequate strength.

One of the major challenges in the urban sector is the promotion of planned growth of individual towns and cities, big and small. It is necessary to create an institutional arrangement to undertake planning exercises in each city. The physical development of each city or town should be planned to embody efficiency, productivity, equity, beauty, and environmental sustainability. Efficiency is related to the functional aspects of towns and cities, to be achieved through physical planning and providing basic urban services, with emphasis on equity. Productivity is related to the economy of urban areas, while beauty is related to the aesthetic aspects of the city. Environmental sustainability is of paramount importance and can be achieved through realistic planning and governance.



The above-mentioned components of urban planning can be achieved by deploying a planning team in each big and medium-sized town. Creating such teams for each city will be time consuming, but the process should be started without delay (one example of such a planning team is the one working in the Dhaka City Corporation). Fortunately, the process has begun in 22 secondary cities of UGIIP, supported by the Asian Development Bank (ADB).

Planning activities for each city should be entrusted to the local municipality. If it is not strong enough, the central Government, through its UDD or through nongovernment consultants, should undertake such responsibilities.

In Bangladesh, people are more or less familiar with the “master plan” concept. Very recently, however, the concepts of structural and strategic plans were introduced. The point of departure from earlier master planning is that these plans are undertaken with the participation of stakeholders. In particular, people of various social strata can take part in the planning. In such participatory urban planning, importance must be attached to the local or neighborhood plan.

Whatever the process of planning may be, the plan should be strictly adhered to by all concerned. A plan prepared by a participatory process and adopted by the authority (with the agreement of all major stakeholders) should be honored. Any violation of the plan should be a punishable act. Planning personnel capacity should be increased and adequate planners trained. To this end, necessary infrastructure at the university and college levels should be created. The importance of a research institute on planning aspects also needs to be realized.

There should be a broad-based planning act for the country that municipalities and city corporations can follow as a planning guide. All urban planning activities and their implementation should be brought under this act.

### **Land-use Control Legislation**

Enacting appropriate legislation for land-use control is also necessary. Such legislation should consider the objective conditions and the reality that majority of the urban and rural population is poor. The role of the informal sector should be appreciated and recognized in urban legislation and planning.

### **Urban Development-related Human Resource Development**

Proper urban development requires adequate urban development personnel (i.e., urban planners and other professionals and para-professionals), and to undertake research activities on urbanization, including housing and infrastructure development. Urban regional/rural planning should be introduced

as a subject in all universities and major colleges and be part of high school curricula. Urban and regional planning is a discipline—like business studies, information technology, biotechnology, and environmental science—that needs to be taught and applied in the future in Bangladesh.

## **CONCLUSION**

The strategies for achieving sustainable urban development demand institutional and structural reforms. Municipal governments throughout the country are the main agents of urban governance. For them it is a challenge to create efficient, transparent, accountable, and people-oriented development institutions. Therefore, strengthening the capacity of municipal governments is necessary. Preference should be given to quality, rather than quantity, of personnel.

In all city corporations, including Dhaka, reform and restructuring will be necessary. To initiate such reform, legal frameworks and ordinances have to be amended. Similarly, other autonomous bodies, such as Rajdhani Unnayan Kartripakkhya (RAJUK-Capital Development Authority), DESA, and WASA, should undertake reforms to bring about qualitative changes.

A strong but accountable private sector is helpful in promoting urban development. The private sector is, therefore, to be given preference and/or supported wherever necessary. The development of partnerships between public and private sectors may well promote the rapid development of the urban sector. Adequate institutional arrangements and reform may be necessary to develop such partnerships. Similar partnerships may be forged between the public sector and NGOs, and the private sector and NGOs.

The role of civil society is also important in mobilizing public opinion and creating pressure on public agencies and the private sector to perform their duties and responsibilities more effectively. Public authorities should formulate urban development plans with community participation and implement them with sincerity and transparency. This may be possible with proper participation and partnerships. Such initiatives by civil society have already started.

Finally, international and bilateral development partners should be encouraged to continue their support for the urban sector. They should assist in poverty reduction, infrastructure development, housing provision, institutional development, and human resource development. It is hoped that the three good practice case studies have demonstrated the great potential in Bangladesh for progress in the urban sector. There are many constraints but committed efforts can overcome them. The future of Bangladesh rests very much on how its urban sector is organized and steered.

**Notes**

<sup>1</sup>The Bangladesh census estimated the 1991–2001 urban growth rate at 3.25% (BBS).

<sup>2</sup>The special-purpose regional development approach was subsequently withdrawn, except for the Haor Development Board which, since 2001, is called the Bangladesh Haor and Wetland Development Board.

<sup>3</sup>PM Is Decreasing In Dhaka. 2003. Available : [www.cleanairnet.org/caiasia/1412/article-58241.html](http://www.cleanairnet.org/caiasia/1412/article-58241.html).