

## **Inclusive Urban Development in Dhaka: Review of the National Housing Policy**

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### **Introduction**

'Inclusive Development' is a combination of two words, 'inclusive', and 'development'. Inclusive means a sense of belonging: feeling respected, valued for who one is; feeling a level of supportive energy and commitment from others so that one can do one's best work (IDDC, 2010). The process of inclusion engages each individual and makes people feel valued, which is essential for the development of, not only, the individual but for the entire community in which they live. Development is possible only by mass participation, which can be possible through the process of inclusion (Ravallion and Chen, 2003). Hence inclusive urban development ensures all city dwellers to live in a developed human society where human being leads long and healthy lives, to be knowledgeable, to have access to resources for a decent standard of living, and to be able to participate in the life of the community (IDDC, 2010). It is now widely understood that real and sustained social and economic progress cannot truly occur if a large segment of society is marginalized. This is the reason why inclusive urban development, as a strategy for all-round development of a city, seems to have wide appeal among all the stakeholders – government, non-governmental organizations, intellectuals, and civil society organizations.

In contrast, Dhaka looks like two cities, both in term of physical form and organization (Mowla and Hossain, 2007). The formal city built with legal sanction, official patronage and the informal larger sector, built illegally through dwellers' own initiatives and characterized by deficient but gradually improving housing and service facilities. Urban poor live mostly in informal areas creating unhealthy living conditions. None of the planning frameworks adopted so far for Dhaka directly addressed itself to dealing with the priority needs and problems of the urban poor (Mowla and Hossain, 2007). Beside the city authorities view most people living in slums and squatter settlements are illegal. Because of this, the city does not plan for or manage any services for the urban poor, and the people living in slum and squatter settlement are overlooked and excluded and they receive none of the

benefits provided to affluent citizens, such as shelter, water, roads, sanitation and sewage etc. (CUS, 2006). The attitudes and approaches to the urban poor that disregard them, perpetuate the levels and scale of poverty and make them invisible to the city, which impact the city as a whole (UNCHS, 2004). Living in slum is an unavoidable reality of the future; efforts must be made to build the slums of Dhaka into sustainable communities (Islam et al., 1997). Slum can be upgraded most effectively when citywide planning approaches are adopted (UNCHS, 2004).

The urban poor, who are the people in urban areas, cannot afford to meet the basic needs (including food/nutrition – 2122 K. calories, clothing, primary health care, education and shelter) with their own income (Islam, 1994). Most of these people live in below subsistence level and constitute larger section of urban population who live across the whole city (Mowla and Hossain, 2007). It is unfortunate that the urban poor in Dhaka are neglected from the formal development policies and plans (Ullah and Mahmood, 2010). It is estimated that around 48% of the total population of Dhaka live below the poverty line with 32% below the hard core poverty line (Nahiduzzaman, 2006). So, it will be a betrayal of the city development policies and strategies if those urban poor are not considered in the city planning and development processes. Nevertheless, the inclusive urban development ensures a quality of life for all citizens. To improve the quality of life of the urban poor, access to safe and adequate shelter, secured tenure, basic services and social amenities need to be ensured (Jahan and Kalam, 2010). Therefore, it is necessary to investigate whether integration of urban poor into the city development policies and plans can benefit them and alleviate the problem of housing. That's why the analysis presented in the present study is involved with the review of National Housing Policy.

### **Framework for Reviewing the National Housing Policy**

It is estimated that about 40% of the national urban population is concentrated in Dhaka (Ahsan et al., 2010). But, the Government's as well as the formal private developers' achievements in the housing sector in Dhaka is very insignificant, compared to the massive needs and demands (Jahan, 2002). The average rate of production is only 20,000 units against the demand for houses in the city are 50,000 per year (Seraj and Afrin, 2003). As a result, there is a serious backlog of housing particularly for the urban poor who can hardly afford any adequate shelter. Hence most of the urban poor in Dhaka find accommodation in the slums and squatter settlements (Ahsan and Quamruzzaman, 2010). Slums and squatters occupy 5.1 percent of the city's total land area in Dhaka but accommodate 37.4 percent of the population (CUS, 2006). In 2010, Dhaka had an estimated population of 15.3 million, which by 2025, will be more than 20 million and more than 60 percent of the population will live in the slums and squatter settlements according to a U.N. prediction (German and Pine, 2010). Therefore, the core goal of incorporating the

urban poor in the city development process is to incorporate their aspirations and opportunities within the city planning. For that, policy initiation is the foremost task which leads to have inclusive development plans and strategies. Ali (2007) pointed out that the rising inequalities in the city pose a danger to its social stability and the sustainability of the development process itself.

The main objective of reviewing the National Housing Policy is to find out its strength and weakness along with the issues needed to be addressed to ensure the improvement of the quality of life of urban poor in Dhaka. In resemblance with the objective of the study, an outline for the study and a framework for reviewing the policy were prepared. While preparing the outline, the considering issues were: how well the National Housing Policy identifies the inclusion of urban poor in the city development process and its consequences in the designated area; whether the urban poor are included in the policy to alleviate the problem of housing; and the scope of incorporating urban poor in Dhaka with the illumination of the National Housing Policy. On the other hand, to check the urban poor compatibility with city development process in Dhaka, the National Housing Policy is reviewed from the inclusive development perspective. The whole review process can be divided into four parts: Part I: 'Identification and Classification of Information'; Part II: 'Goals and Objectives'; Part III: 'Assessment of Scope to incorporate the Urban Poor'; and Part IV: 'Description of Evaluation of proposed Policies, Programs, and Actions'. This paper thus intends to review the National Housing Policy to suggest ways to integrate the urban poor in the city development process of Dhaka.

### **National Housing Policy**

Housing for the poor is an absolute necessity for survival. But it is not just a commodity to be consumed. It is also a productive asset for the poor. In fact it is a vital investment in health leading to increasing in productive capacity and overall well being of a person and his/her family.

#### ***Identification and Classification of Information***

In response to The United Nations declaration in 1988 for formulation of Housing Policy by Nations and 1992 Rio de Jeniro declaration on Environment and Development by the United Nations, the Government of Bangladesh formulated the first ever Housing Policy of the country in 1993. In describing the housing problems of the country, the policy expressed the concern over concentration of population in major cities, where housing is becoming a severe crisis without any effective role played by the government to create affordable housing. On the other hand, the Revised National Housing Policy of 1999 describes the future role of the government in the housing sector as that of a "facilitator" or "enabler", rather than as a "provider", in order to increase access to land, infrastructure, services and credit,

and to ensure availability of building materials at a reasonable price and promote housing finance institutions. A law was made effective through formation of National Housing Authority (NHA), but very little has improved in terms of providing shelter for the urban poor especially for the slum and squatter dwellers in Dhaka (Khanam, 2004). Hence the policy does not consider the integration of the urban poor as an issue to address the city development process. It provides guidelines for development of housing and human settlements for all citizens of the country. A draft of National Housing Policy has also been formulated in 2008 by the Ministry of Housing and Public Works. According to the policy, the existing system of the housing sector is functioning with institutional arrangement through a number of governmental organizations, NGOs and private developers; and, public investment policies and programs through the national five year plans, other national development plans and Annual Development Program (ADP).

### ***Goals and Objectives***

The National Housing Policy of Bangladesh 1993 states that: “Housing is one of the three basic primary needs of man (and woman), and is as important as food and clothing. It provides shelter, safety and a sense of belonging to the owner”. On the other hand, one of the major objectives of the Housing Policy 1999 is to ensure housing for all with particular emphasis on the disadvantaged, destitute, the shelter less poor and the low and middle-income groups of people. Then again the goal of the Housing Policy 2008 is to provide proper housing available to all citizens and to develop houses, settlements and work places in sustainable and equal basis so that all citizens can get equal health facilities, safe residential and other utility services with a minimum cost.

### ***Assessment of Scope to incorporate the Urban Poor***

The current housing development schemes of the government and that of RAJUK, its principal development arm in Dhaka; do not address the issue of constructing requisite number of housing units for the urban poor. RAJUK is primarily focused on developing land in and around Dhaka for mostly higher middle income to high income groups and for making a profit from such land development. Some major private sector developers are also in the same game. The private developers are concerned only where they can make money. Hence there is a little or no policy for provide housing and settlement for the urban poor in Dhaka to incorporate them in the city development process. The GoB and private landowners regularly demolish existing slum and squatter settlements without prior notices and proper rehabilitation as well.

***Description of Evaluation of proposed Strategies, Programs, and Actions***

The Policy has not any strategy, program or action regarding the issue of urban poor integration in the city development process rather than the policy has so far been largely designed to create housing for all. Nevertheless, urban housing demand is primarily catered by the private household sector. The target groups of small and large-scale developers and builders are middle and high-income city dwellers. On the other hand, slum entrepreneurs provide very low cost rental units where living condition is very poor. The public sector housing plans also give priorities to the middle-income groups. Only 3 percent of the proposed spending by capital program is earmarked for housing of the poor (Khanam, 2004). The government agencies providing housing are RAJUK (the Capital Development Authority), HSD, PWD, Department of Architecture and Semi-governmental and autonomous bodies also provide housing for their employees. National Housing Authority has been formed but it has yet to draw up any workable program to realize national housing policies. The existing microfinance institutes in the city don't have any scheme for the poor community to develop their housing in Dhaka. Therefore, the existing housing policy doesn't specify its strategy for upgrading the slum and informal settlements in Dhaka (Mowla and Hossain, 2007).

***Strength***

- The basic principle of the policy is that the government would play the role of an enabler or facilitator in the housing sector, and not the role of a developer or provider. It will acquire the land (Ministry of land, RAJUK etc.) and provide to the housing developer groups at a nominal cost. It will also provide interest rate subsidization on a declining scale for a limited period of time.
- The policy promised special attention to housing needs of women, particularly women in difficult circumstances and disadvantaged women, such as widows, single women and women headed households living below the poverty line.

***Weakness***

- The GoB has committed itself to provide shelter for the poor in many international declarations and conventions, but in actual practice the record of providing shelter for the poor has been less than satisfactory.
- There is virtually no credit financing mechanism for housing of urban poor in the city.
- There is no policy to comprehensively address the issue of low income and slum scheme housing. There is no effort in allotting land or subsidization of the development costs of slum and squatter rehabilitation.

- Slums and informal settlements eviction without proper rehabilitation is not the solution to the future, because the urban poor have not left the city, they have just moved from one place to another.

***Issues, needed to be addressed***

Appropriate policies measures are needed to bring about overall improvement of housing situation in terms of quality and quantity of housing stocks/units, housing tenure, financial mechanism, and so on for provide housing of urban poor in Dhaka. Therefore, there is a critical need to formulate national housing policy so as to provide a clear framework for addressing housing issues of urban poor in an efficient and effective manner. The policy should ensure that all public and private sector housing efforts are implemented according to a set of clear objectives and cohesive approaches. Essentially, the policy should intend to facilitate effective and efficient utilization of limited resources so as to develop housing facilities in the city in a comprehensive way. At the same time, there is a need for policy follow-up, research for improvement of low-cost housing technologies, and action to scale up low-cost housing program into action involving urban poor and organizations involved in Dhaka. The National Housing Authority should take effective programs and projects and require maintenance of necessary information, proper planning and coordination of production, supply and maintenance of housing, their equitable distribution, evaluation and monitoring from the national down to the local levels. Forced eviction should be disapproved, because it relocates the urban poor from one to another slum/informal settlement and inflicts suffering on them by disrupting their lives and livelihood rather than improving their living conditions.

**Conclusion**

A basic need for all people living in cities is shelter. In a nutshell it may be said that the city which wants to meet this need will have to integrate all people and recognize all city dwellers as citizens of the city. The first step then in creating sustainable urban settlements is for city to recognize that people living in the slums and informal settlements have a right to be in the city. This recognition will begin to make slum and informal settlement dwellers legitimate citizens in Dhaka, which will start to legalize their tenure in the city. The National Housing Policy provides an enabling framework for addressing land and housing markets in Dhaka, and enforcing basic property rights. Therefore, the implementation of this policy will require an adequate institutional framework with clear leadership, as well as roles and responsibilities to ensure inclusive urban development in Dhaka.

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