

## PARTICIPATION BY THE NGOS IN HOUSING FOR THE URBAN POOR IN BANGLADESH

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### ABSTRACT

Many non-government organisations (NGOs) are involved in various development programs in Bangladesh, targeting the urban poor, who also lack proper housing. Yet they have not been widely involved in urban housing. This paper is based on the author's 1998 Robert McNamara Fellowship study titled 'Role of the NGOs in Urban Housing for the Poor in Bangladesh' of the World Bank's Economic Development Institute. It discusses the obstacles and limitations of involvement by the NGOs in housing for the urban poor in Bangladesh.

**Key words:** credit, NGO, participation, poor, service, urban housing, bastee, IFA.

### I. INTRODUCTION

Fifteen million urban poor in Bangladesh live in the bastees (slums and squatter areas). The government (GOB), unable to cater for their housing needs, did not consider the participation of the non-government organisations (NGOs) until the idea was mooted in the 1990s in various policy papers, and reinforced by the 1996 Habitat Agenda. The commitment in the Habitat II to the involvement of private bodies in providing human settlements underlines the importance of collaboration between the governments, the international finance agencies (IFAs) and the NGOs. The paper examines why the NGOs in Bangladesh have not been much involved in the urban housing for the poor, and how and where they can participate. It is primarily based on literature review, field investigations, interviews and observations. The original study undertaken in 1998-99, was titled 'Role of the NGOs in Urban Housing for the Poor in Bangladesh', funded by The World Bank's Economic Development Institute under the Robert McNamara Fellowship Program.

### II. URBAN POOR HOUSING BY THE NGOS

Urban housing in Bangladesh is marked by a high rate of urbanisation; unabated migration by the rural poor, who are unable to access the formal sectors and benefits of the cities, largely contribute to the

process.<sup>1</sup> Employed mainly in the informal sector, the urban poor cannot meet the basic needs. Nearly 47% of the urban population lives below the poverty line under inhuman situations (BBS, 2001).<sup>2</sup> No effort by the government or other organisations could alleviate the situation.

The scarcity and high cost of resources, and low affordability of the majority of the people, make proper cost-effective solution(s) to the housing problems remote. The members of groups other than the poor too face the problem. The government

1. The urban population of Bangladesh increased annually at a rate of nearly 7.1% in 1981-91 and 5% in 1991-2001 (BBS, 2001).
2. The 1 million bastee dwellers in 2156 clusters within the Dhaka metropolitan area in 1990 increased 150% in more than 2800 clusters by 1996 (BCL et.al, 1996). These were marked by high density, unsanitary situation lacking basic services, low rate of literacy, unemployment, environmental and social degradation, and precarious health situation (BSNC, 1990). About 55% of the bastee dwellers got tap water mainly through illegal sources, even from outside the bastee. About 40% of the poor used wells, each one serving 100-200 families. Where potable water was absent, bastee dwellers used unclean water. Around 55% of the urban poor had no toilet. Fewer than 20% of the bastees were served with sanitation system; 60% had temporary shared latrines. Many private slums had electricity, but 41% houses were served; another 26% were connected illegally. About 12% of them shared gas cookers.

as early as in the mid-1980s admitted that 'the majority's housing needs were not properly addressed while the rich availed most of the opportunities' (MOP, 1985).<sup>3</sup> Yet the situation was not alleviated much as the public housing programs, chiefly consisting of sites-and-services schemes and staff houses, were grossly inadequate compared to the huge need and misdirected with respect to those who needed those (Rahman, 1996).

A weak government control over the resources and the absence of housing finance have restricted the capacity of the private and the informal sectors- the main suppliers of housing. The importance of finance in extending affordability was recognised only since the late-1990s, though not many steps to increase its availability were taken. There is also a lack of institutions and legislation to support the sector generally and to direct and control migration and urbanisation, manage land, and create an environment to develop affordable housing, easily accessible resources, and participation of the private organisations particularly.

The failure of the established institutions to develop Bangladesh after the Independence (1971) made many to lose confidence in them. Thus the NGOs thrived in the backdrop of inefficient, corrupt and unstable governments, and self-destructive politics (Chowdhury, 1989). They became new entities in initiating and sharing the development efforts to improve the lives of the masses. High levels of poverty, frequent natural disasters and ready international support enhanced their presence (ADB & GOB, 1996).<sup>4</sup> The funds for their activities have risen significantly as many

3. The annual urban housing requirement is above 150,000 units, more than a third of it in Dhaka; public housing could meet only 4% of this. Government houses occupy 7% of the urban stock. The government employees form less than 10% of the workforce, a quarter of which is provided with housing.
4. About 16,000 NGOs in Bangladesh have been helping nearly 4 million families in 50,000 villages (ADAB, 1998). In 1990-97, 857 new NGOs sought foreign grants in a remarkable growth. Around US\$300 million worth external grant, channeled yearly through them, supported more than 750 projects. This was about 10% of the country's development budget. Almost 5000 projects of US\$2155 million worth were done in the 1990-98 period. 13 of the 20 IFAs give more than US\$1 million annually to the Bangladeshi NGOs (Rahman, 1999).

donors show confidence in them (Sakhawat & Hussain, 1991).

The NGO programs in Bangladesh have five main foci: income generation (IGA), education, health and family planning, women and environment. The housing activities are mostly in the rural areas facing natural calamities. According to the Association of Development Agencies in Bangladesh, there are 77 housing NGOs (ADAB, 1998). Of the 49 members of the Coalition of Urban Poor in Dhaka, 9 are involved in urban housing, and 12 in sanitation, water supply, garbage collection, housing credit and slum development. The Habitat Council Bangladesh is a forum of 60 NGOs involved in housing related activities; none of them provides shelter directly. The housing NGOs have the following types of activities:

*Service Provision:* The utility agencies serve only those with planning approval for the structure though the poor can afford to pay for their services.<sup>5</sup> Some NGOs are mediating change in their practice to introduce cost-effective services. Several NGOs have taken projects to improve sanitary conditions and drainage system, and supply potable water. They are training communities, paying back the agencies, promoting participation, and providing technical and organisational assistance in installing, operating and maintaining services (Matin, 1998). They promote and monitor service uses and hygiene practice by the households. The project beneficiaries participate in various project stages to identify need, and operate, monitor and maintain services (Rahman, 2004a). A few NGOs promote community based garbage collection and run recycling plants as the municipality services are poor.

*Financial Intermediary:* In few cases, the NGOs have granted funds to repair or construct houses the beneficiaries of their other existing schemes who were made homeless by natural disaster or eviction that hampered those schemes. One NGO motivated a basteer-owner, and negotiated a bank loan for an environmental improvement project there. Some NGOs are seeking funds to build

5. Scarce resources and recurring conflict in the bastees provided a power base for the *maastans* dictating terms under which the socially excluded urban poor are linked to the basic needs like employment, shelter, services etc. through a process of 'adverse incorporation' into a pervasive system of clientelism and dependence (Matin, 1998).

houses for their beneficiaries and gradually recover it; others are generating housing funds through household savings and IGAs. The large NGOs experienced in operating credit schemes among the poor are contemplating to acquire funds for housing by overcoming the land ownership problem.

*Special Housing:* Several NGOs are meeting the housing needs of certain socio-economic groups like the garments workers, destitute women, street children, retarded people and working mothers. They run dormitories; the inmates often participate in the management of the premises and the empowerment and rehabilitation programs comprising literacy, skill training, legal, social and entrepreneur support, and healthcare. Such NGOs are often run by only women entrepreneurs who are often involved in business ventures.

*Bastee Development:* A few NGOs are making physical upgrading of the bastees by utilising the poor households' willingness and capacity to build for themselves. Several NGOs including humanitarian organisations, youth clubs and social welfare societies are engaged in improvements of limited components, often one project only, with grants from the IFAs and the local philanthropies. These improve visible areas e.g. income generation, health and family planning, education, infrastructure and basic utility services, following the IFA-funded Slum Improvement Programs.<sup>6</sup>

*Housing Rights:* Coalitions of research NGOs and aware citizens have undertaken advocacy programs among the stakeholders to reduce the incidents of housing rights violation. The NGOs generally reduce eviction threats indirectly by strengthening informal sector activities and providing various infrastructure and services. They make the poor socially aware and less vulnerable. A few NGOs are legally defending the squatters against evictions providing no alternate resettlement in line with the National Housing Policy. Some bastee dwellers have been organised by the NGOs to protect themselves against eviction attempts.

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6. Undertaken by the Local Government Engineering Department in the 1990s in 50 towns, these benefited about 35,000 families. The integrated approach aimed to enhance environment and affordability to improve the housing situation of the bastee dwellers, who get the use right of the better housing on a rent agreed with the local government and the landowners.

*Technical Support:* Due to the conditions attached with the project funds, a few NGOs are furnishing housing management services, including operation and maintenance of various housing services and small-scale community based infra-structure and utilities, rental schemes, collection of technicians and management staffs' salary or paper works. Some environmental NGOs are disseminating their knowledge and experience, and training and advising staffs of the IFAs and other NGOs. They are helping the municipality staff, community workers and managers in institutional development, and operation and management training.

**Case One. DUSTHA SHASTHYA KENDRA:**

The DSK water supply and sanitation program showed how 'informal' communities can access 'formal services' through mobilisation and mediation, and build their capacity to maintain and manage those. It started in two bastees where the dwellers were paying the *mastaans* for water often from public sources. The DSK's assurance to mobilise, organise and prepare them to manage the service, bear the capital cost, and regularly pay the bills convinced the Dhaka Water and Sewerage Authority to provide water. It installed 32 water points and 5 latrines in 1996-98 for more than 6000 bastee-households. The UNDP, World Bank, DANIDA, Swiss SIDA and WaterAid funded the projects. The DSK lent initial cost and technology for construction to the bastee dwellers, facilitated training on design, maintenance of water points, hygiene habits, community participation, selected sites and formulated users' rules. It shares know-how and experience with other organisations and the IFAs.

The youths took responsibility for financial transactions and co-ordination of the services available at half the previous cost. The project initiated the community's participation in decision making, planning, implementing, operating and maintaining, cost recovery, arrangements for legal, safe and cheap water supply to the bastees and larger sustainable coverage, decrease in the prevalent waterborne diseases, and established the NGO as an intermediary. The DSK had to face difficulties too regarding availability of land for installing services, building capacity, developing local bodies, bastee power structure, illegal connections and eviction fear.

**Case Two. Slum Development by SHEVA:** This project is an example of how the NGOs as intermediaries can intervene and motivate the owner

and occupiers to improve the slums and arrange finance for that. Forty beneficiary families of SHEVA with informal sector jobs and incomes of US\$50-70/month were living in temporary structures, paying US\$8 for 6-8 m<sup>2</sup> rooms in 6 bastees (600 m<sup>2</sup>). SHEVA initiated a 'Shelter Improvement Project' on one plot with a loan from the Basic Bank to build semi-permanent row houses. Paved lanes and good plans ensured proper access and ventilation, separate baths and toilets, and gas in common kitchen areas, training and community meeting room and a covered sitting area.

The landowner agreed to mortgage the land, and set a rent for the present tenants fixed for 5-years. The tenants agreed to get training on community-based programs focussing on water and sanitation management, healthcare, functional education and skill development, pay the increased rent and abide by the community's decision in related matters. The US\$20,000 project cost was amortised in 7.5 years at 12.5% interest. In lieu of manifold benefits with the improvements, the tenants agreed to pay double as rent. With the progress of the scheme, improving the living conditions and enhancing return, the neighbours have shown interest to start similar projects.

**Case Three. Kingshuk Multi-purpose Cooperative Society:** These projects are examples of how without institutional finance people can come together to solve their housing problems. Seven friends in 1987 each started to save US\$1 monthly; their number grew to 77 by 1989. To commemorate the tragic death of one of them, they started book-fare, community library, neighbourhood cleaning, and blood donation programs. In 1991 after completing university, the friends formed a co-operative society with 121 voting members. The present 5000 project members, who can withdraw at anytime and get a return at a rate higher than the bank's, have invested their monthly savings of US\$2-3 on 270 transport vehicles.

In 1994, *Kingshuk* bought some low-cost land in the city fringe with its savings to develop housing. Failing to get a loan for 4 years, they started the project themselves. 20 members in the first building project undertook construction from their own saving matched by *Kingshuk*, which would be gradually withdrawn. It has also started buying land and then gradually withdrawing the fund

when the members start supplementing. As the equity is reached, the project members meet the valuation of the developed land in further instalments.

### III. PROBLEMS FOR THE HOUSING NGOS

Here are some issues that the NGOs are facing in housing the urban poor in Bangladesh.

*Priority of Housing:* The effects of the NGOs' micro-credit schemes are direct compared to those of improved housing on hygiene, labour and productivity which are not immediately identified and appreciated. The NGOs usually aim at improving the socio-economic conditions of the masses. Considered a consumption item, housing is given less priority as one of many mandates that are not tested. The NGOs providing housing loans treated it as secondary, as they view housing as the shelter, overlooking its productive role. The provisions of health and family welfare, hygiene and functional literacy have evidently improved the overall housing situation. The lately recognised economic multiplier effects of housing strengthen its claim as a productive good. Some NGOs realise that housing assistance to the poor alleviates poverty (Singha, 1995). The rural housing NGOs have recognised this link, and want to start urban projects.

*The Government's Role:* The participation of the NGOs is asserted only in policy papers, without being translated into programs or practice. Implementation of any program that encourages participation of the private sector and the poor is not easy in the absence of a framework and the existence of contradictory legislation and policies. The IFAs are actively promoting the NGOs as important stakeholders and partners, and encouraging the GOB to work with the NGOs by accepting their advantages.

The IFAs and the local housing experts in the 1990s urged the GOB to assume the role of an enabler. However, the government did not adopt the required strategies and place incentives to realise that. The NGOs emphasise on capacity building and sustainability, which are absent in the public sector programs (Chowdhury, 1989). Though complementing government efforts in many areas, they have failed in enabling the poor to acquire proper housing; their involvement is a small complement only. The government's effort in

promoting the co-operatives failed as these became real-estate developers for lack of guidance, control and incentives (Rahman, 1993).

*Lack of Co-ordination:* Many NGOs recognise the need to link their efforts with that of the government, as fragmented programs may not benefit the masses at long terms. Yet a number of constraints remain in policy and bureaucratic levels between the NGOs and the government, who is cautious about recognising the NGOs as voluntary organisations. Relief and welfare NGOs were usually encouraged while efforts were made to make development NGOs tools of the government by exploiting their capability to attract funds and rapport with the poor for political gain resulting into a bitter relationship (Rahman, 1999).

The Fourth Five-Year Plan (1990-95) suggested the co-ordination of all NGO activities to supplement the thrust towards participatory planning, emphasising the use of the NGOs by the government rather than at collaboration. The NGOs viewed the coordination by a government agency as control; at present the ADAB does it. The government welcomes collaboration with the NGOs in sectors where its own activities are inadequate, like in the welfare sectors, limited and superficial in other areas. It admits that such co-ordination could supplement its programs (Task Force, 1991), yet there has been no mechanism for closer consultation.

*Resource Scarcity:* Comprehensive Housing solutions may involve large infrastructure and service delivery systems, organisations, and large investment. Scarcity of resources against a huge housing requirement often frustrates the NGOs. Land scarcity has delayed the implementation of many infrastructure and housing programs in Bangladesh.<sup>7</sup> The urban poor cannot exploit the public housing incentives or their building capabilities without an access to the land market. The utility agencies are also reluctant to risk investment in serving them with eviction possibilities.

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7. The Urban Poverty Reduction Project, the first major project providing housing, credit, services and infrastructure to the poor through the NGOs, could not be started since 1996 as one of the agencies was not willing to provide land.

Arresting the unabated rise in the prices of the housing resources and their scarcity lies with institutions and legislation curbing the market imperfections and facilitating legal footholds to the poor. The land issue has been viewed as scarcity, not as a political one of managing more for the poor at an affordable price. The NGOs depend on government interventions in the land market, which was approved in the Vancouver Habitat Conference, so that all income groups can access it.

*Low Affordability:* The poor's lack of affordability is a major contributor to the housing problem. Yet they can make efforts to meet commitments in a housing scheme from unsuspected sources, enhanced by the existence of a scheme that could raise their affordability, form part of initial investment, or be used to match external resources. They could afford proper housing with instalment payments matching their current level of related expenditure (Rahman, 1992).

*External Dependency:* The global trend and preference of the IFAs influence the funding of the NGO projects. The new and small NGOs usually select activities that can easily get continuous support. Despite their flexible and innovative approaches and methods, they often follow established programs rather than formulating new ones, unless encouraged by the financiers. Many IFAs restrict the activities of the recipient NGOs to rural areas, considered a priority.

The level of external aid has assumed significance in Bangladesh. As the dual delivery system engenders competition, the GOB insists that the IFA-funds given to the NGOs be additional to those to itself. From the beginning the government has been ambivalent to the NGOs, begrudgingly accepting external fund acquired and spent by them. It is usually reluctant to use the NGOs beyond sub-contracting and to channel funds, unless the grant conditions demand.

No NGO have explored the locally available housing funds through debentures, supernumerary schemes, bonds etc.; those encouraging domestic saving have not used it for housing. The financial institutions in Bangladesh would rarely extend loan to the poor, individuals or organisations. A few banks may serve those having land; but most of them do not own land, and are unable to carry out paper works. No progress has been made in funding a home-lending program to disburse funds

to the urban poor through the NGOs, proposed in 1998 by the central bank.

*Weak Institutional Support:* Lack of proper housing institutions and legislation in Bangladesh discourages the NGOs who need an environment conducive to their participation. Support is particularly needed for providing them with developed and serviced land, credit, and basic utilities. Land records, appropriate laws regarding land acquisition, co-operatives, apartments and availability of supplementary funds would further facilitate the NGOs' involvement in housing.

There is also lack of co-ordination among the efforts by various public and private bodies, undermining resource optimisation and disregarding the stakeholders' roles.<sup>8</sup> The issue of good urban governance, through metropolitan governments that could also co-ordinate such activities, has been raised several times since the 1970s, but never materialised due to an inter-agency rivalry and apprehension of competition. A National Authority to oversee and co-ordinate all housing activities, suggested in the 1993 National Housing Policy, has just been formed.

*Mobility of the poor:* The bastees population fluctuates, as the dwellers with no legal ties to the land move around. Therefore, investing in upgrading the physical components of housing faces a dilemma. Many economic migrants who return to the villages in the harvesting season leave behind their families, and require only temporary urban shelter (Afser, 1988). This poses difficulties in long-term housing programs for the urban poor, as the investment in credit and physical structures becomes uncertain if the beneficiaries move.

The issue of gentrification has not been studied in Bangladesh, as this has not yet threatened the effectiveness of any housing scheme. However, this is less likely to affect any scheme implemented by the NGOs, who may have other schemes improving the welfare of the target groups. This would deter the poor beneficiaries from abandoning any housing scheme. If they did, it wouldn't affect housing through a hire purchase method.

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8. During the recent squatter eviction incidents in Dhaka, bastees were demolished where many NGOs were running various government-approved programs worth US\$400 million.

*Deplorable Situation:* Lawlessness and deplorable socio-economic conditions in the bastees hamper the activities of many NGOs. Some people believe that the bastees harbour criminals (Aziz, 1999).<sup>9</sup> An unhelpful attitude of the authorities and exploitation by the vested quarters like the landlords and political leaders aggravate the situation (Mizanuddin, 1994). The *mastaans* often find the NGOs reducing their influence in the bastees. However, integrating the *mastaans* in delivering services to the bastees has brought positive affects. A process of advocacy, education and empowerment of the poor can eradicate this problem.

*Absence of Professionals:* The successful NGO programs designed and implemented by the professionals vindicate their role. But few NGOs involve them in the formulation or implementation of any of their programs, as there is a lack of relevant professionals. Inability by many NGOs to write proposals and respond to all queries of a prospective financier are among reasons for their failure to attract international housing funds (Rahman, 1999).

#### IV. NGOS AS DEVELOPMENT PARTNER

The failure of the low-cost housing programs in the developing world's cities resulted in people taking responsibility either individually or in groups for their own shelter needs. This decisively proved their ability and willingness to provide own solutions and sowed seeds of participatory approaches. By the 1970s, the governments and the IFAs started to recognise the potential of the bastees and the strength of their organised activities and accumulated resources. As a result, housing policies started to include sites and services and upgrading projects based on the principles of self-build and community participation as the dominant form of urban housing.

Bastee dwellers often developed an awareness of their rights, and made demands for legal tenure and provision of infrastructures and services. Through concerted efforts and influences in the decision making some of their demands were eventually realised. However, out of a fear of the growth of

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9. The Housing Minister declared 'the bastees which have become criminals' dens would be strictly removed. We can no longer treat them humanly to solve their problems.' (Aziz, 1999).

political forces, many governments limited participation into individual self-built and implemented infrastructure projects without consumer participation (UNCHS, 1984). Urban projects involve mainly the physical quality of life of the poor- housing, infrastructure, services etc. Tandler (1982) cites several reasons, including the density of shelters in the bastes, for such projects being more acceptable and prospective.

The poor have a scope to share responsibility if they could decide their need, affordability, and priorities in making programs for themselves (UNCHS, 1997). Their inclusion in consultation, planning activity and decision-making process and implementation of housing projects, through the NGOs, promote pluralism. These provide increased equity and incentives for further participation, instil a sense of belongings, and ensure maintenance of services and sustenance of benefits. Participation helps to remove any existing socio-cultural or political inhibition against the NGOs or their program(s). It increases operational transparency, and ensures the most beneficent utilisation of scarce resources. Such involvement of a wide range of stakeholders result into greater efficiency, better planning, proper benefit distribution, utilise and conserve scarce resources, and enhance project sustainability.

The IFAs and the donors play an important role in promoting the NGOs as important development partners. They acknowledge the potential benefits of working with the NGOs, and promote increased NGO input into projects. Main reasons behind such support are the success of the NGOs in working in proximity with the poor and their innovative capabilities (Shakhawat & Hussain, 1991). Their commitment, flexibility and development philosophy are appreciated by the IFAs. Many IFAs and donors are often critical of the government's progress in relevant programs, and see the NGOs as alternatives to achieve their objectives of poverty alleviation, rural development, social preparation and empowerment (ADB, 1996). They encourage the governments to recognise the comparative advantages of the NGOs and to incorporate them in the national programs. However, some governments are still hesitant to move towards closer cooperation with the NGOs. In Bangladesh the level of aid from this source has assumed a significant proportion. Therefore, in the presence of a dual delivery system engendering a competition, the GOB insists that funds earmarked

for the NGOs by the IFAs be additional to those routinely directed to itself. From the beginning it has been ambivalent to the NGOs, begrudgingly encouraging and accepting external support controlled by them. The NGOs often face delays in their works created by the government and bureaucracy, as the government is usually reluctant to go beyond using them as sub-contractors within certain control, and rarely channels funds.

Nevertheless, within the welfare sector there has been long standing collaborations, limited and superficial in other areas, between the government and the NGOs. The government welcomes the NGO activities as a useful contribution to the national development in sectors where its own activities are inadequate. It admits that co-ordinated NGO activities could supplement its development programs (Task Force Report 1990). The Fourth Five-Year Plan (1990-95) suggests that all NGO activities should supplement the thrust towards decentralised participatory planning, and therefore have to be co-ordinated. It emphasises the use and co-ordination of the NGOs by the government rather than any effort at collaboration.<sup>10</sup>

Many NGOs recognise a need to link their efforts with that of the government to achieve worthy result. Yet a number of constraints remain in policy, co-ordination and bureaucratic levels between the NGOs and the government. The

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10. Bangladeshi NGOs not receiving foreign funds have to register with the Ministry of Social Welfare (1961 Voluntary Social Welfare Agencies Registration and Control Ordinance). Others receiving foreign funds are required to be registered under 1978 Foreign Donation (Voluntary Activities) Regulations Ordinance. They found it difficult to work within the bureaucracy while foreign funds could not be received without its approval. Moreover the government was seeking different departments' opinions on a proposed project before approval. The ensuing long process baffled the NGOs and IFAs alike. During the 1988 mega-flood, the function of the Standing Committee in the External Resources Division was restructured in an NGO cell within the Cabinet Division of the President's secretariat for quick relief dispersal. The NGO Affairs Bureau was established in 1989 to improve co-ordination with Ministries and simplify the process. The existing regulatory framework puts unnecessary administrative burden on NGOs. The registration procedure is cumbersome and lengthy. Rahman (1999) opined that the objectives of the regulation could be achieved without being stringent as the existing laws amply allow measures to be taken in the event of malpractice.

government is usually cautious about recognising the NGOs as non-profit development organisation. Relief and welfare NGOs are usually encouraged while efforts were being made to make development NGOs tools of the government. They sense a tension with the government as their relationship with the mass is often misinterpreted and politically exploited (Rahman, 1999).

The NGOs believe in clearly defined separate tasks in joint efforts. For proper collaboration with the government co-ordination among the NGOs is indispensable. Previously it used to be done by the government, which was viewed as control. Lately it has been accepted that NGOs apex body recognised by the government should do the co-ordination. While it is generally agreed that closer consultation is desirable, mechanisms mooted in the past by the government have yet to materialise.

Participatory programs are more effective than top-down programs, and ensure economy in development delivery. Such practice usually provides a better match between capabilities and investments. Besides checking wastage, the relevance and appropriateness of the processes and products of development efforts are also repeatedly checked in their programs. The local governments often suffer scarcity of human and financial resources in undertaking effective program for the poor communities. The NGOs are more responsive in meeting the socio-economic needs, and provide certain goods and services in a client-oriented manner by adapting to locations and communities with widely differing characteristics. Their activities more commonly target the goal of social development in comparison to result-oriented those of the government or the IFAs. They often operate with defined target groups for visible benefits, and hence can adopt participatory approaches. Since they do not generally work through bureaucratic and related constraints, occasional resistance to participation does not restrict their programs.

## V. AREAS OF INVOLVEMENT

The NGOs have shown comparative strengths, experience and expertise in empowerment, participation, capacity building, advocacy, mediation, information exchange, cost effectiveness, efficiency, access and accountability. Such advantages over conventional government organisations (GOs) can be used for

designing and implementing housing, infrastructure and utility service projects. The NGOs and CBOs have the capability to participate in private-public partnership and co-operative efforts, and contribute effectively in the following components of the housing programs.

*Land Development:* The NGOs and CBOs have the capability to make positive impact on the urban land market. Despite their dependence on the government to develop land for housing the poor, they can take few initiatives. They can use the unexploited government incentives pledged for social housing, develop land through methods like Plot Reconstitution, Guided Land Development, etc. and use cross-subsidy technique to reduce the price.

The NGOs can mediate temporary but long-term use of land for the poor to thwart the eviction threat.<sup>11</sup> They can take part in many stages of a sites-and-services scheme taken out by others. They can also be involved in economic land development, incremental servicing, and mobilisation and organisation of self-help. The NGOs can help to verify land records and ownership, supervise procurement, and check the validity of transactions, share land administration, management, and documentation work, and thus reduce the scope for exploitation by the rich, elite and the GOs.

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11. Many NGOs and CBOs in South-East Asia have negotiated land-sharing. After decades of eviction and arson incidents in Bangkok's Rom Klao, the Human Development Centre negotiated with the Port Authority to lease land for Klong Toey Resettlement Program through a re-blocking technique. In Towon-dong and Songhak districts of Seoul, squatters have negotiated interim land owner-ship for development. In Payatas Hill around Metro Manila, Golden Shower Homeowners' Association of 300 squatter families negotiated land tenure and developed their settlement after agreeing with the landowner, the City Water Authority, to plant trees. In Ibayo-Tipas, 234 families affiliated with Southeast People's Village Homeowners' Association negotiated to buy the land they were occupying from its owner, the Far East Bank and Trust Company with loans from CMP. They then developed the land and constructed houses on it using self and mutual labour. A growing set of alternatives like land-sharing, land-swapping, buying back, voluntary relocation and *in situ* redevelopment, have been tested through the Pagtambayayong Foundation and became established options in Cebu.

*Service Provisions:* The NGOs can mediate legal and cheaper access by the poor to the utilities through a changed policy that would recognise the right to services separately from title. The NGOs and CBOs can become partners in effective and efficient service delivery. They can improve community-based services through mutual self-help and cooperation, organise and run operations, and guarantee paybacks of infra-structure expenses and recurring regular bills (Rashid & Haider, 1995; Matin, 1998). They can train community members, and provide technical assistance in installing, operating and maintaining services, and monitor the enforcement of regulation and standard (Rahman, 2004a).

The CBOs can help the GOs where the service being delivered needs to be adapted to various communities and locations as they are more aware of the local conditions, people and activities, and have a rapport with the target group, in case negotiated access or management sharing is required. They may provide organisational support and welfare services to waste-pickers, educate, encourage and monitor households on proper service use, encompass processing and marketing of recyclable materials, and run small community based plants using simple technology.

*Financial Intermediary:* The NGOs can on-lend project grants acquired from the IFAs to the poor and recover it in short instalments in financing housing. Homeownership prospect increases the potential of saving (Rahman, 1992). Yet it has not been mopped up, organised and channelled towards home-ownership due to the absence of attractive and reliable instruments and intermediaries, which the NGOs can provide. Introduction of new credit schemes would be easier to the NGOs and CBOs as they have the confidence of the poor and have been accepted as reliable intermediaries.

The NGOs can better mobilise untapped resources and utilise the credit worthiness of the poor by using participatory approach, grassroots connection, motivation programs, group formation and other innovative means. Programs similar to their existing ones with attractive instruments can be used to buy, develop and service land, construct and improve housing and related infrastructure, provide seed capital or matching grant, and secure more funds for further developments.

The NGOs can provide tips on credit operations and funding system. Many NGOs can prepare good project proposals, and use the capability and experience of acquiring fund to attract social housing fund. Some of them have good rapport with the IFAs, who can confidently lend to trusted bodies. The NGOs can be the entrusted institutions to administer revolving funds, from the government sources or from the IFAs through the government, as they are well-conversant at the grassroots level and capable of reaching the poor by promoting participation. The NGOs are also capable of adjusting programs to match the target population, who can decide affordable credit terms through such interventions, as mismatched financial commitment often tantamount to bad recovery (Rahman, 2004b).

*Technical Assistance:* Since the most GOs are not moulded and equipped to take after-design responsibilities, the NGOs and CBOs can form and train local committees to undertake operation, maintenance, revenue collection, repayment and book-keeping. This would generate income, increase community belongings, reduce cost, and enhance cost recovery. Such actions ensure accountability and sustainability of the provisions. The NGOs and CBOs can undertake tasks related to project implementation, administration and management, including running day-to-day affairs. They can be engaged to supervise construction of utility, infrastructure and shelters on behalf of implementing agencies, operate, maintain and service small-scale community based infrastructure and utilities, and administer rental schemes.

Not all households, specially the poor, can get technical, managerial or financial support in housing. There is no provision to provide this to individual or private developers. Housing becomes unplanned, expensive, unhealthy, and short-lived for lack of such support. Also the scope to improve and strengthen many ingenious solutions is reduced. Due to their rapport with the target groups, the NGOs could better guide the grassroots building spree. Those NGOs not possessing the know-how and experience to guide numerous numbers of poor households to build cost-effectively and technically sound shelters can develop the expertise. Those possessing relevant expertise, can advise others on housing-related activities, and assist small developers and builders with infrastructure, service and building projects.

The experienced NGOs can provide technical assistance and help in institutional development and training on operation and management to municipality staff, community workers and managers, and guide others to prepare programs. They can be contracted to appraise and monitor project cost effectively, and to provide training, technical assistance, and institutional and management expertise on community participation and social mobilisation to IFA staff. The knowledge of competent NGOs can be borrowed in designing and implementing utility service and infrastructure projects.

Basic data for successful project design is readily available with the CBOs already working in the bastees.<sup>12</sup> They are sources of information on their needs, priorities and capabilities, existing social conditions, organisation levels and absorptive capacity. The NGOs' rapport with the poor, knowledge and innovative means enable them to get information, often vital but difficult to elicit for technical and cultural reasons. The NGOs' field-experience, grassroots participation and links, advocacy programs, and innovative methods provide valuable lessons about participation and alternatives. They can link participatory research findings to the broader policies, and disseminate news and information to the poor.

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12. In 1997, the World Bank Resident Mission in Dhaka wanted to look into possible areas of funding/co-operation in the social and architectural heritage sector. It engaged Chetana, a local research and advocacy NGO working for improving the awareness of the root of the local and regional architecture, to make a checklist and catalogue of organisations in Bangladesh working in the area of architectural heritage, their past activities, staffing and expertise strength, capabilities, need etc. The report paved the way for local organisations seeking international funding in conservation works, and provided the Bank with the most up to date information on such efforts, the related operators and their track record.

Centre for Urban Studies is an NGO, who have undertaken many policy researches and advocacy programs, and have organised seminars and workshops on urban and social issues. It was involved in a Ford Foundation funded Urban Poor Advocacy Program of research, publication and workshops in the early-1990s. Some NGOs hired them to monitor and evaluate their activities. These remain as valuable sources of feedback, which have been used by the respective NGOs, other NGOs or the IFAs.

Unique combination of technical and social skills means that the NGOs can design, supervise, implement and evaluate pilot projects to test operational mechanisms and procedures and identify obstacles; the lessons would help in preparing a comprehensive and improved final project. Demonstrative projects could change the attitude of the adverse quarters toward the urban poor housing, and arouse consensus that cost-effective improvements with available resources are possible. Information on such projects along with practical guidance, manuals and tools will enable the government to establish active partnership with the CBOs for more extensive, low-cost housing programs. Implementation of such projects through the NGOs would reduce burdens of the IFAs and GOs who can utilise their resources to look into other aspects.

*Structure, Materials, Building Techniques:* Self and mutual help, better adapted to affordable and socio-culturally-suited indigenous building techniques, can reduce housing cost (Grimes, 1976). The NGOs and CBOs can organise the urban poor with rudimentary construction knowledge to build for themselves incrementally and cost-effectively. The experienced NGOs can mobilise and motivate, and impart the required training to poor households to augment their lack in basic building knowledge so that mutual and self help can be used. Community materials bank and credit groups can produce and supply cheap durable materials. The NGOs can also train to produce, promote and use alternative materials, and carry out research to innovate appropriate materials that can be produced commercially, and demonstrate easy production and construction methods.

Many untapped and unconventional resources of the poor are overlooked by the formal sector stereotyped with set criteria and standard blocking innovation. Ingenuity and skills, self-labour, domestic saving, ability and willingness to participate, etc. of the poor are also among these. These can effect cheaper solutions with lower cost of procuring housing services and materials (Gerrul, 1979; Benjamin & others, 1985); supports like services, legislation, credit etc. can reduce the cost further. Because of many bureaucratic regulations and attitude, and lack of incentives, no scope remains for trial and experiment, gathering field-experience or exchanging grassroots data.

The NGOs are more amenable to recognise and support ingenious replicable cost-effective innovations at project level; and help them to gain formal sector supports and make technical improvements. Due to operational flexibility, the NGOs can support replicable projects, and fund small-scale innovations and enterprises. The NGO programs showed innovations in mediation, facility management, repayment etc. Their credit programs consider human factors, bypass pre-conditions, and thus increase coverage and recovery. The NGOs can abandon conventional standard and methods for incremental standard upgrading more easily as they are flexible in operation and programs, and can avoid bureaucracy.

*Participation and Capacity Building:* The NGOs and CBOs can render consultative services by providing tips on identifying local level quality contracting, working through the local environment and co-ordinating with the GOs and the CBOs. They can provide authentic opinion on credit and funding system and operations and activities with higher prospect. Real concerned parties can hold governments more accountable and willing to formulate responsive programs. The NGOs can assist and contribute specialised skills in identifying the heterogeneous need and demand of the poor and focussing on target groups. The CBOs are aware of the available resources, options and responses, effectiveness of methods, attitude, behaviour, and various mind-sets of the community members, and will look into its interests.

Cases of housing rights violation can be subdued through advocacy programs by the NGOs and CBOs among the stakeholders. They can make the urban authorities, organisations and general public aware of the contribution and rights of the poor, and advocate co-existence. They can aim such programs at capacity building of the target groups, and assist them by organising, mobilising protests, and giving legal aids. NGO-run programs strengthen informal sector activities, and provide infrastructure and services, which improve their poverty situation. This makes the poor socially more aware and less vulnerable, and reduces eviction threats. Participation by increasing the technical and institutional capability strengthens communities' bargaining power too. Through actions based on common interest, the poor can become a self-reliant social force capable of resisting opposition.

The NGOs can run a process of education, learning and consequent empowerment, and groom

leadership. Their programs aim at developing the potential to break away from dependencies that suppress the poor's ability, creativity and ingenuity. Participatory project benefits bring people together in such a way that they develop common interests (Cotton & others, 1996), more so if benefits relate to a common resource. They can establish and maintain alliances with stakeholders and help to strengthen the grassroots organisations of the deprived. The NGOs can mobilise people and resources, motivate them and organise physical activities related to provisions of housing resources through self-help.

The NGOs can act as intermediaries between the GOs, IFAs and communities, to exchange information and ideas, organise, make collective stands and help to implement projects and deliver services. Local governments, lacking experience in working with the poor, may use intermediaries like the NGOs to implement policies at community level, and initiate communication and interaction among stakeholders. They can help to implement policies and projects depended upon active community participation, and mediate resources from the IFAs and the private sector. The NGOs can project the community needs and priorities in relevant places, request funding for the community, and ensure that the interest of the affected parties is considered. The NGOs and CBOs can determine standard and phases of services and infrastructure, location of amenities, siting of plots etc. to reflect the community preferences and affordability through organising them.

## VI. CONCLUSION

The Bangladeshi NGOs remain largely inert regarding housing projects despite the capability. Their comprehensive approach for the poor has better prospect than the government's fragmented approach. The socio-economic situation improved by them extends the affordability and empowers the poor to find viable solutions through the following agenda.

- A legislation-backed National Settlement Policy should address the issues of migration, income generation, health, education, transport, recreation etc. Schemes defining the NGOs participation as a stakeholder and intermediary should be integrated with the housing programs.
- The government should develop, with the NGOs' assistance, housing institutions,

resources and practices to deal with the grassroots interaction, mass mobilisation and beneficiaries' participation through the NGOs.

- A one-stop governmental approval system for the programs and funds of the NGOs against a simple checklist, subject to verifications and monitoring later, should be introduced.
- Utility services should be divested through the NGOs; the government agencies should provide sites, equipment, extension of infrastructure, technical training, and enforce and monitor standards, while the NGOs and the CBOs could operate and manage services and recover cost.
- The government should make land for the poor available by applying the concept of land pooling, cross-subsidy and separation of rights, with the NGOs mobilising the beneficiaries to participate in self-help and mutual help, introducing IGAs, encouraging domestic saving, monitoring and evaluating projects and recovering cost.
- An NGO- network should attract domestic savings and investment in housing, providing small credits for buying land, constructing, extending or improving houses, and large funds to organisations for developing infrastructure and amenities.
- The government should raise seed fund from the domestic market through forced savings, bonds and debentures besides seeking international fund for housing and infrastructure development, which should be lent on through the NGOs.
- Models of good NGO practices should be improved further, unconventional cost-effective solutions should be institutionalised, and manuals should be prepared. The NGOs should be encouraged to take up housing projects, and provided with guidelines, projects concepts and resources.
- The law and order situation, capacity building and local organisations in the bastees should be improved by involving all stakeholders.

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