



NATIONAL HOUSING POLICY, 1993

MINISTRY OF HOUSING AND PUBLIC WORKS,
GOVERNMENT OF THE PEOPLE'S
REPUBLIC OF BANGLADESH

DECEMBER, 1993

CONTENTS

	Page
I. INTRODUCTION	1
II. HOUSING PROBLEMS	1
III. OBJECTIVES	4
IV. NATIONAL HOUSING POLICY, 1993	5
V. HOUSING POLICY: Essential Elements	7
5.1. Land	7
5.2. Infrastructure	8
5.3. Building Materials and Technology	10
5.4. Financing	11
5.5. Management	14
5.6. Institutional Arrangements	15
5.7. Government's Role and Support	17
5.8. Human Resource Development	19
5.9. Rural Housing	20
5.10. Slums and Squatter Settlements	21
5.11. Disaster Affected Housing Reconstruction and Rehabilitation	22
5.12. Housing Needs of Women in difficult circumstances	23
5.13. Housing Needs of the Aged detached from the Family	23
5.14. Housing Needs of the Disadvantaged Groups	23

INTRODUCTION

Housing is one of the three basic primary needs of man, and is as important as food and clothing. It provides shelter, safety and a sense of belonging to the owner. It also provides privacy, promotes health and comfort, and provides a base for employment and income generation. Today, there is a housing crisis in the country, in the rural as well as in the urban areas. The Government of Bangladesh is conscious of this crisis and its magnitude. Government intends to create a "favourable" and "conducive" environment for the country to provide impetus to this sector. The Government's endeavours to make housing accessible to all citizens through various measures, incentives, motivation, planning and management. Special housing schemes will be implemented in the public and private sectors, for the low-income groups, the disadvantaged, the destitute and the shelterless poor.

CONTENTS

	Page
I. INTRODUCTION	1
II. HOUSING PROBLEMS	1
III. OBJECTIVES	4
IV. PROPOSED STRATEGY	5
V. HOUSING POLICY: Essential Elements	7
5.1 Land	7
5.2. Infrastructure	8
5.3. Building Materials and Technology	10
5.4. Finance	11
5.5. Legal and Regulatory Framework	14
5.6. Institutional Arrangement and Fiscal Policy	15
5.7. Government's Role and Support	17
5.8. Human Resource Development	19
5.9. Rural Housing	20
5.10. Slums and Squatter Settlements	21
5.11. Disaster Affected Housing Reconstruction and Rehabilitation	22
5.12. Housing Needs of Women in difficult circumstances	23
5.13. Housing Needs of the Aged detached from the family	23
5.14. Housing Needs of the Disadvantaged Groups	23

I. INTRODUCTION

1.1. Housing is one of the three basic primary needs of man, and is as important as food and clothing. It provides shelter, safety and a sense of belonging to the owner. It also provides privacy, promotes health and comfort and provides a basis for employment and income generation. Today, there is an acute housing crisis in the country, in the rural as well as in the urban areas. The Government of Bangladesh is conscious of this crisis and its magnitude. The Government intends to create a favourable and conducive environment in the country to provide impetus to this sector. The Government's endeavour is to make housing accessible to all citizens of Bangladesh through various measures, incentives, motivation, planning and management. Special housing schemes will be undertaken, both in the public and private sectors, for the low-income groups, the disadvantaged, the destitute and the shelterless poor.

1.2. Housing, in the context of overall improvement of human settlements, is considered by the Government of Bangladesh as an integral part of culture and planning for economic development. The Global Strategy for Shelter by the year 2000 adopted by the United Nations in November, 1988 calls upon governments to take steps for formulating a National Housing Policy in the light of "the enabling approach" for achieving the goals of the strategy. The United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro in June 1992 urged upon the governments to formulate national settlement strategies to implement the recommendations of the UNCED in the field of human settlements. In the light of the above and in the context of the objectives of the Fourth Five Year Plan (1991-95), it has become imperative to formulate the National Housing Policy, 1993.

II. HOUSING PROBLEM

2.1. The housing problem in the country is of serious magnitude. In addition to the large number of homeless households; the rapid growth of slums and unauthorised squatter settlement; the increasing cost of land and construction materials; rampant speculation and the

phenomenal increase in house rent, the problem is compounded by non-availability of basic civic services, including water and sanitation to the bulk of the population and acute shortage of affordable and adequate shelter for the poor and vulnerable groups. The housing shortage was estimated in 1991 to be about 3.10 million units, composed of 2.15 million units in rural areas and 0.95 million units in urban areas; with the bulk of the backlog consisting of kutcha unserviced units. The housing shortage is likely to exceed 5 million units by the year 2000 A.D. The current housing stock is deteriorating fast due to ageing, general neglect, poverty and civic apathy on the part of the dwellers.

2.2. About 80% of the people live in rural areas and 86% of the dwelling units are located in rural areas. There has however, been very little public sector involvement in rural housing. Traditionally, rural housing has been taken care of by the villagers themselves. The government could not make any significant contribution in this respect except the distribution of some construction materials as relief measures in the areas ravaged by natural calamities such as flood, cyclone etc. Because of the subsistence nature of the economy, 85% dwelling units in the rural areas are in the form of shelters which do not provide adequate protection from wind, rain and flood. Due to the natural process of wear and tear and lack of repairs due to the poverty of the rural population, rural housing conditions have deteriorated seriously. At present about 30% of the rural families do not have their own homesteads; they live in ejmali, mortgaged or rented homesteads. 85% of the houses in rural areas are kutcha and most of these are in unsatisfactory conditions in terms of structural qualities.

2.3. There has been a rapid growth of the urban population and its concentration in a few cities and towns; but there has been no concomitant construction of affordable housing and there is an acute shortage of funds for the development of settlements and extension of urban infrastructure, both in the public and private sectors. This has led to increasing congestion and overcrowding in small houses, growth of slums and informal settlements and severe pressure on civic services. This has been aggravated by institutional deficiencies of housing agencies and local bodies, and insufficient attention to the shelter needs of the poor.

- 2.4. The unchecked growth of slums and squatter settlements and encroachments on publicly owned land and other vacant lands are the direct outcome of these pressures. If appropriate corrective measures are not taken, over 50 percent of urban population will be living in slums and squatter settlements by the year 2000.
- 2.5. The land is a scarce resource in Bangladesh, more so in our urban areas. Land prices have registered phenomenal increase in recent years. Speculation in real estate is widespread. The land ownership pattern in both rural and urban areas is highly skewed with a few owning a disproportionately large share of the land.
- 2.6. Financing is another formidable constraint in building and maintenance of houses. The existing resources for housing finance include personal funds of potential urban builders and buyers, savings of overseas Bangladeshis, government loan, government budgetary allocations, contributions by international donor agencies, commercial banks, specialized financial institutions and NGOs. The share of housing in the public sector development programme has been comparatively less. Banking, insurance and investment agencies have shied away from investment in this field. Only about 5 percent of the housing units constructed in Bangladesh are financed from formal sources, whereas for the rest, financing comes from savings, private borrowing and informal sources. The nation is yet to develop systematic attitudes and habits of personal savings for housing backed up by a network of financial institutions for mobilizing such savings. The tax structure has paid little heed to its impact on the housing situation in the country. Housing has remained largely a private or household sector activity. Housing finance has also been met from personal savings or informal sources. House Building Finance Corporation (HBFC), the largest formal sector financial institution in the field has served only a very small proportion of households, mostly in the middle and upper-income groups in the urban areas. Rural Development and Co-operative Division, Government of Bangladesh and Grameen Bank have recently started a housing financing programme for the rural poor.

- 2.7. Public housing has, in general, failed to strike a balance between proper housing design, standard and architectural style on the one hand and use of innovative building materials and affordable housing, on the other. In the private housing sector, houses have been constructed by the well-to-do people and some expensive houses have been constructed to meet the needs of the rich and the expatriates. It has not paid any mentionable attention to the construction of houses for the majority of the population. Although some private housing companies have been engaged in land development, instances of fraudulent and dishonest practices have caused serious suffering of the customers.
- 2.8. The other deficient aspects are the institutional framework, outdated cadastral mapping, ownership documentation and registration, research and development for innovative housing approaches, which require systematic investigations and improvements.

III. OBJECTIVES

The objectives of the National Housing Policy are to:

- 3.1. Make housing accessible to all strata of society and to accelerate housing production in urban and rural areas with major emphasis on needs of the low- and middle-income groups, the high priority target groups will be the disadvantaged, the destitute and the shelterless poor;
- 3.2. Make available suitably located land at affordable price for various target groups, especially the low and middle-income group;
- 3.3. Develop effective strategies for reducing the need to seek shelter through formation of slums, unauthorized constructions, encroachments and shanty dwelling units and to improve the existing ones environmentally and, where possible, to relocate them in suitable places;
- 3.4. Rehabilitate disaster affected households and houses affected by fire accidents;

- 3.5. Mobilize resources for housing through personal savings and other financial inputs and by developing suitable financial institutions;
- 3.6. Make effective implementation of the housing programmes, promote use of locally developed materials and construction techniques and increase production of forest-based building materials such as timber, bamboo or grass. Attempts will be made to develop alternative and durable materials based on locally available raw material;
- 3.7. Develop institutional and legal framework to facilitate housing;
- 3.8. Improve and enhance the character, quality and environment of the existing residential areas;
- 3.9. Develop new strategies and undertake revision of the policy from time to time to cope with the emerging housing needs and problems in the country;
- 3.10. Undertake action oriented research in all aspects related to housing and foster minimization of cost and rent;
- 3.11. Develop a property tax base to promote housing.

IV. PROPOSED STRATEGY

The Fourth Five Year Plan (1991-95) objectives indicate that the mobilization of resources for development would be shifted from the Government to the private sector. Keeping this in view, the strategy of the Government will be to act as promoter and facilitator of housing by the private sector, while retaining the Government's role as a provider to a limited extent. The salient features of the housing strategy are:

- 4.1. Housing will be given due priority in the national development plans treating it as a separate sector by itself.
- 4.2. The role of the Government in housing will primarily be that of a facilitator or enabler in order to increase access to land, infrastructure,

- services and credit and to ensure availability of building materials at a reasonable price, specially for the low- and middle-income groups and to create and promote housing finance institutions; whereas actual construction of housing will generally be left to the private sector developers, the people themselves, and the NGOs.
- 4.3. Greater emphasis will be laid on affordability, personal savings, self-help and cost recovery. Efforts would be made to enhance affordability of the disadvantaged and low-income groups, through provision of credit for income generation and income enhancement, housing loans at specially low interest, access to space for running workshops or business and such other facilities.
 - 4.4. Improvements and rehabilitation of the existing housing stock will be given priority by the Government alongside new housing.
 - 4.5. Encroachments on public land and formation of unauthorized constructions will be discouraged.
 - 4.6. Austerity will be maintained in building houses and efforts will be made to economize housing costs, discourage extravagant construction, facilitate incremental house building, ensure wider application of low cost technology and optimum use of resources at the individual and national levels both in public and private sectors.
 - 4.7. Regeneration of forest-based building materials would be planned and environmental conservation given due consideration.
 - 4.8. Due attention would be given to construction, protection, replacement and rehabilitation of shelter in disaster affected and fire prone areas.
 - 4.9. Special care would be taken for the preservation of cultural heritage and promotion of vernacular architecture in new housing projects.
 - 4.10 Universities, research institutes and centres will be encouraged to conduct research on housing issues.

- 4.11 The National Housing Policy will be co-ordinated with other development policies e.g. land, environment, population, employment, social welfare, fiscal and monetary policies at national and local levels.

V. HOUSING POLICY: Essential Elements

The housing policy covers all rural and urban areas of the country. In both rural and urban housing, government would play an increasing role of "facilitator" or "enabler" by providing better access to land, finance, building materials and technology. This will lead to the active involvement, choice of design, user satisfaction and evolution of housing solutions commensurate with varying degrees of economic affordability. The housing policy particularly addresses a number of special issues, such as, land, infrastructure, building materials, technology and finance etc.

5.1. Land

The limited supply of buildable land and widespread speculation have made access to land for housing difficult for most households, particularly the low- and middle-income groups. In view of this critical situation, the Government has drawn up elaborate measures such as the following:-

- 5.1.1. Increase the supply of serviced land for housing for various income groups, particularly the poorest, and for essential public services.
- 5.1.2. Increase access of the poorer sections and vulnerable groups to affordable serviced land with secure land tenure in areas located near, or connected by cheap transportation system to their work places.
- 5.1.3. Care would be taken to acquire minimum quantum of land for development projects. In this connection, land will be acquired within the framework of land use plan, if there is any. Government would have the option to use the acquired land for any purpose including housing. However, public agencies will make efficient

utilization of land held by them in all urban and rural areas within a reasonable time. Procedures and legal provisions for acquisition of land will be simplified, with due regard to fair and timely compensation to land owners for ensuring speedy take over of possession of land.

5.1.4. Encourage the involvement of the private sector in land development, infrastructure development and construction.

5.1.5. Abolish the discretionary quota system for allotment of plots developed by the public sector. Special provisions will however be made for the handicapped, the destitute and the very poor through fixation of a special but reasonable quota for them.

5.1.6. Initiate area development schemes to maximize the availability of housing per unit of land. For this purpose, plot sizes will be rationalized for building houses. Support and encouragement will be given for the construction of terrace house and multistoried houses for the sake of economy of land.

5.1.7. Form an Urban Land Bank by pooling the khas and other vacant lands lying unutilised within the existing offices, industries, business enterprises etc. in our towns and cities. In the rural areas, suitable khas and other lands on dead and dying river-sides would be pooled together into a Rural Land Bank.

5.1.8. Develop a modern Land Information System and an effective system of registration and transfer of land and immovable properties for better management of land.

5.2. Infrastructure

The following measures are recommended for development and improvement of infrastructure for housing:-

5.2.1. Increase investment by national and local government agencies in order to meet the rapidly growing needs of serviced land and to improve the availability of services in different settlements;

- 5.2.2. Promote a balanced pattern of urbanisation through a policy of decentralization of investments and incentives for the growth of secondary, intermediate and small towns so as to reduce pressure on metropolitan cities and to control unregulated conversion of agricultural and forest land for the purpose of housing.
- 5.2.3. Develop economically buoyant and socially attractive secondary and intermediate towns by strengthening their linkages with contiguous rural areas and market centres as part of the integrated and planned development of the region and to reduce migration to the larger cities;
- 5.2.4. Make necessary investments to increase within a reasonable time, the coverage of entire rural and urban population for potable water supply and basic sanitation ;
- 5.2.5. Increase investments in public transport and traffic network to improve mobility of people, particularly that of the poor;
- 5.2.6. Encourage the use of infrastructure construction technologies which are cost effective, incrementally upgradable and environmentally appropriate;
- 5.2.7. Provide government support for extension of infrastructure based on the participation of the people and private developers, NGOs, CBOs or on innovative systems of infrastructure leasing;
- 5.2.8. Provide Government assistance to the local bodies for adequate cost recovery of investment on infrastructure, proper maintenance of services and upgradation of the capability of the personnel in local bodies and functional agencies;
- 5.2.9. Provide opportunity for community participation and recognize people's initiative in the design, installation and the upkeep of services within the framework of the development programmes.

5.3 Building Materials and Technology

The Government is conscious of the problems caused by the dwindling supply of traditional building materials and their increasing costs. The following measures are recommended for rectifying the situation:-

- 5.3.1. Provide assured access of rural households to traditional materials but maintain a check on indiscriminate exploitation of forest resources so as to ensure environmental preservation;
- 5.3.2. Stimulate the increased production and availability of conventional materials like cement, steel and bricks and traditional materials like brick tiles through promotion of small scale industries for building materials as part of the industrial policy. Promotion of small scale building materials production units will help creation of jobs for women, for which skill development programmes will be initiated. Steps will be taken to economise the use of scarce building materials and to promote low-cost environmentally-sound technology and the use of indigenous resources, including mud, wherever appropriate.
- 5.3.3. Encourage the development, manufacture and use of materials based on industrial and agricultural wastes, those based on local resources and alternate/appropriate technologies by public and private construction agencies;
- 5.3.4. Promote proven technology and building materials and manufacture and use of materials conforming to standards and quality of construction through the efforts of the research institutes;
- 5.3.5. Provide financial and other assistance to entrepreneurs for the innovation, manufacture and marketing of appropriate and innovative materials;
- 5.3.6. Incorporate the low cost technologies and materials in the national standards and specifications laid down by the government agencies;
- 5.3.7. Provide training, technology extension and skill upgradation through the Government agencies, universities, research bodies, NGOs,

professional societies and voluntary organizations and the dissemination of information to the actual users and communities;

- 5.3.8. Help to set-up production and supply centres in the private sector or by NGOs on decentralised basis for providing prefabricated building materials and components;

5.4. Finance

The formal sector housing finance programmes, such as 'House Building Advance' from the Ministry of Finance to Government employees, loans from HBFC and commercial banks meet only a small portion of finance required by the different groups for a variety of shelter activities. The bulk of the population is left outside its reach owing to a number of structural and operational inadequacies of the prevailing financial system. The following measures are proposed to address those inadequacies:-

- 5.4.1. Attempts will be made to promote access to finance for different housing activities and to evolve an elastic and widespread resource mobilization strategy to tap household savings in the formal and informal sectors. Steps would be taken for the removal of constraints to the flow of finance into the housing sector, specially larger lending to the poor and the informal sector.
- 5.4.2. A National Home Lending Programme accessible to the poorer segments of the households, both in the public and private sectors will be initiated. For this programme, a Low Income Housing Fund may be created by the Government for lending to financial intermediaries including the new financial institutions and NGOs. The intermediaries, in turn, would disburse loans to the beneficiaries including individuals, cooperatives, community associations, legally registered companies, private developers/builders, public corporations and the local government agencies etc.
- 5.4.3. An increasing proportion of the resources of the insurance sector, unit trust, commercial banks, co-operative banks and specialized financial institutions to be channelled into housing in the interest of long-term development of the mortgage market and assured

resources for the housing finance system. The lending rates would reflect the average yields of these resources.

- 5.4.4. Housing-linked savings schemes for Provident Fund subscribers, workers in the organized sectors and public sector employees will be introduced.
- 5.4.5. While functioning within the overall framework of the housing policy, Bangladesh Bank, as the apex agency charged with linking the housing finance system with the financial sector as a whole, will facilitate the promotion and regulation of housing finance institutions in the public and private sector, and will refinance and supervise their operations and expand the spread of housing finance to different income groups all over the country.
- 5.4.6. The complementary roles of different agencies and institutions in the public and private sectors concerned with land development, house construction and finance to be supported through fiscal incentives.
- 5.4.7. Innovative savings and lending instruments to be introduced to integrate the housing finance system into the capital market.
- 5.4.8. A secondary mortgage system to be introduced in order to attract funds from a wide range of investors, including insurance and provident funds, and to integrate housing finance with the overall financial system.
- 5.4.9. Introduce measures to make the housing finance system as a whole self-financing and capable of meeting the needs of different income groups and purposes, with longer repayment periods, graduated payments and simplified procedures, wherever necessary, to ensure affordable instalments and larger coverage across different urban and rural areas.
- 5.4.10. Improvements will be effected in the housing finance procedures and shelter delivery system in order to bring down the cost of shelter for the poor to affordable levels.

- 5.4.11. The co-operative housing movement, especially, for lower and middle income groups, will be given assured access to institutional finance to supplement internal resources.
- 5.4.12. Resource mobilization for housing finance will be largely done through promotion of an adequate number of reliable Housing Finance Companies in the private sector. Instruments and infrastructure necessary for promoting private sector savings to be developed in order to ensure the success of private sector housing finance.
- 5.4.13. Private Housing Banks may be established through proper investigation of their institutional structure, source of funds and mode of operation.
- 5.4.14. The role and operation of the House Building Finance Corporation to be re-examined for developing it into a self-sustaining premier housing finance institution capable of meeting the long run needs of different income groups and purposes. Facilities like longer repayment periods, graduated payments and simplified procedures will be considered.
- 5.4.15. Both specialized and mixed institutions will be encouraged to operate in the field of housing finance. Among the mixed institutions, commercial banks and NGOs will be encouraged to enter the housing finance market. In addition to the above, Provident Fund, Insurance Fund, Household savings, and the fund of the Development Agencies and the NGOs may be generated or redirected towards housing finance. The success of the resource mobilization efforts will depend on the active participation of a large number of private sector housing finance companies and mixed institutions. To ensure their participation, an environment will be created where housing finance companies and mixed institutions will have the firm and prompt support of the legal system and where the appropriate tax incentives will be provided to encourage private savings to be channelled to these companies.

5.5. Legal and Regulatory Framework:

Apart from those mentioned elsewhere in this Policy, the measures for removing the legal constraints would cover the following:

- 5.5.1. Making provision in the Land Reforms Act and other relevant acts to ensure proper rehabilitation of those displaced by projects and to preserve user rights over forest and common lands;
- 5.5.2. Making revision of land use plans, planning and building regulation and infrastructure standards by the Government and local authorities to help reduce the cost of housing, enable efficient use of land and facilitate housing activity;
- 5.5.3. Making suitable laws to restrict scattered spreading of homesteads in rural areas and to conserve agricultural land, minimise wastage of land for housing purpose and facilitate supply of essential services.
- 5.5.4. Making suitable amendments in the laws and procedure governing land acquisition in urban and rural areas to ensure speedy land readjustments with due regard to the interests of landowners;
- 5.5.5. Review and amendment of laws and regulations relating to town planning, particularly the norms and standards for in-situ upgradation of low-income settlements and housing;
- 5.5.6. Making suitable laws for ownership of plots and multistoried flats and for easy registration and transfer of property that conform to non-exploitative practices. Adequate steps will be taken to protect the interest of the consumers against dishonest and fraudulent practices of the private developers and to increase the supply of developed land specially for low and middle income groups;
- 5.5.7. Review of existing rules and regulations relating to construction of different buildings and multistoried flats in the light of the National Building Code;

- 5.5.8. Incorporating appropriate provisions in the present co-operative laws by enactment of a separate chapter on group or co-operative housing activity in order to streamline their operation and to remove existing constraints;
- 5.5.9. Removal of constraints to the flow of finance into housing and services, especially larger lending to the poor and in the informal sector household through flexible procedures and collateral requirements as well as repayment schedules, and simplification of procedure for registration of documents and execution of mortgages.
- 5.5.10. Suitably modify development control rules and norms for infrastructure provision so as to facilitate the housing activity of different income groups, specially the poor, and to reduce the cost of housing.

5.6. Institutional Arrangement and Fiscal Policy

- 5.6.1 A National Housing Committee will be set up with the Honourable Minister for Works as its Chairman to review housing and urban development policies and monitor their implementation in both urban and rural areas of the country and to regularly report to the Hon'ble Prime Minister. The National Housing Committee will be constituted with Mayors of Municipal Corporations, five Members of Parliament from five administrative Divisions, Governor, Bangladesh Bank and other government officials concerned, and the representations of the concerned professional associations, experts and private developers with the approval of the Honourable Prime Minister. This Committee will also include representatives from amongst women.
- 5.6.2. The Ministry of Works will be renamed as the Ministry of Housing and Public Works. The creation of Housing Division/wing under this ministry may be examined to provide policy supports and programme coordination in housing and related activities.
- 5.6.3. The Housing and Settlement Directorate and the office of the Deputy Commissioner of Settlement would be transformed into a National Housing Authority (NHA) for boosting up and accelerating housing

programme in the country. The NHA would operate as an autonomous organization and will mobilize both local and foreign funds for housing with special emphasis on the low and middle income groups of people. To facilitate rural housing, the NHA will have a Division dealing with rural housing.

- 5.6.4. Government recognizes the necessity to augment resources of the HBFC and to reorganise this institution to meet the growing demands for housing finance by the low and middle income groups in urban areas. Special attention will be given by the Government and the Bangladesh Bank to enable HBFC in procuring a much larger fund for meeting the growing demand. The NHA will extend all possible assistance and cooperation in this respect.
- 5.6.5. Fiscal incentives will be provided in order to promote desired investment in housing activity by the private sector and individuals, and to channel additional savings for housing activity from households and enterprises.
- 5.6.6. Incentives will be given for investment in rental or ownership housing, specially for low-income employees in order to induce employers in the organized sector including industry, to provide housing for their workers.
- 5.6.7. Incentives will be given to promote the manufacture of new building materials and components produced out of industrial wastes and agricultural wastes and those which substitute the use of scarce resources like wood and energy-intensive materials like cement and steel.
- 5.6.8. The levy of stamp duties and registration fees for land and immovable properties will be rationalized in consultation with the Ministry of Finance and the National Board of Revenue, with a view specially to reduce the burden on housing for lower and middle income groups.
- 5.6.9. Government would encourage housing schemes with approved guidelines in major cities and towns to channel investment of non-resident Bangladeshis in convertible foreign exchange to residential

property, and would extend appropriate incentives, including speedy clearance by government, to stimulate a sustained and large in-flow of such investment.

- 5.6.10. Use fiscal and municipal taxation policy, including tax on vacant urban land designated for residential, commercial and industrial use in order to curb speculative activities and to increase the supply of land.
- 5.6.11 Co-ordinate the assessment of valuation of land and property by different agencies for the levy of taxes and other purposes.
- 5.6.12 Modify the tax structure related to purchase and transfer of land in order to reduce the cost of land transfer to the consumer.

5.7. Government's Role and Support

The magnitude of the housing task calls for the involvement of several agencies -- the cooperatives, the community, the NGOs, the private sector and the Government at different levels. The Government will devise and implement strategies which will enable the various agencies to complement the efforts of one another and to ensure the most efficient utilization of resources consistent with other national policies with particular emphasis on National Environment Policy. The following roles of the Government are envisaged:

- 5.7.1. The Government would increasingly act as facilitator for housing activity. The Government's role as a provider will be limited to the poorest, and vulnerable sections.
- 5.7.2. Control speculation and profiteering in land and housing through appropriate tax and fiscal measures;
- 5.7.3. Encourage NGOs and the voluntary and community based agencies in their efforts to upgrade shelter, extend basic services, augment incomes and promote environmental conservation within the framework of the housing policy and local level planning;

- 5.7.4. Promote decentralized execution of housing schemes in urban and rural areas with the active participation of the beneficiaries;
- 5.7.5. Reorient the Government housing agencies to act more as promoters of housing activity rather than builders of houses and to concentrate increasingly on the supply of developed land and infrastructure, extension of appropriate technology, providing assistance to the people for taking up construction and upgradation of houses, and disseminating information on housing schemes;
- 5.7.6. Undertake construction of essential housing facilities for public servants in locations where housing facilities in general are scarce. Wherever available, houses/flats may be constructed in the vacant spaces of the plots/houses of the existing Government housing colonies and the Abandoned Properties (Reserved List) or by demolishing the old decaying houses thereon. Special projects will be undertaken to provide houses to the government employees on hire-purchase system. The public servants who are not provided with government accommodation would be given reasonable house rent support. The existing house rent ceiling would continue with adjustment of price escalation factor from time to time.
- 5.7.7. Make building materials available at a reasonable cost in the market through necessary changes in the fiscal and import policies so that the people can build their own houses. The relevant Departments will continue to provide utility services and technical support for housing.
- 5.7.8. Promote incremental construction and upgradation by poorer households through access to services, through technical support, availability of low cost technology and materials, opportunities for skill upgradation and access to housing finance on flexible terms;
- 5.7.9. Encourage the NGOs, co-operatives and other community-based organizations to take up various housing related activities, specially for slum and footpath dwellers in large urban areas facing shortage of land and for the rural poor. Government would assist through preferential allotment of land, access to finance and fiscal support.

5.7.10 Encourage private developers and the organized sector to invest in various forms of housing and land development through access to finance, speedier approval of schemes and other forms of support, removal of constraints to development of land. These developers would be induced to devote a significant portion of the investment in housing for low and middle-income groups at affordable prices.

5.7.11 Encourage semi-autonomous, autonomous and private corporate sector to develop land in suitable locations for establishment of housing estates. The serviced plots should be allotted to their employees so that they can build their houses with house rent allowance, general provident fund and concessional loans.

5.7.12 Encourage private developers and co-operatives to construct houses for all classes of people -- low, middle and high income groups. They may be allocated government lands in suitable locations/core areas of the urban centres at a market price so that they can meet the demand of the intending buyers.

5.7.13 Take steps to integrate housing activity, income generation and employment. The loan for housing development will be integrated with loans for income generation activities through self employment for the low income groups, so that they can generate income to repay the loans taken for housing.

5.7.14 Emphasize environmental protection in terms of the basic norms and services for settlements, neighborhood planning and open spaces, control of population, and removal, disposal and utilization of liquid and solid wastes. Special emphasis will be given to tree plantation in all projects and the construction and conservation of lakes, ponds, beels and haors.

5.7.15 Give priority to the preservation of buildings and monuments, structures of architectural value, and the preservation of special natural features.

5.8. Human Resource Development

Housing development requires adequate and appropriate human

resources. The following measures are recommended for developing human resources:

- 5.8.1. Training and reorientation of human settlement planners, including urban and regional planners, architects, engineers, land and housing professionals, social scientists, administrators and others to adopt low-cost and cost-effective approaches to planning of settlements and housing;
- 5.8.2. Expansion and improvement of facilities in the universities, technical institutions and colleges for the training of various professions related to housing; also enhancement of provisions for specialization and research in the universities and relevant research institutes;
- 5.8.3. Formal and non-formal training facilities on a widely decentralized basis to upgrade skills of construction workers, artisans and petty contractors;
- 5.8.4. Greater involvement of NGOs in the training of construction workers and assistance to the self-employed in the housing related fields in order to upgrade their technical abilities and provide ensure better access to credit, working space, and marketing channels; and
- 5.8.5. Provision of non-formal education to facilitate maintenance and improvement of housing stock on a self-help basis through publication of booklets, pamphlets, posters etc.
- 5.8.6. Strengthen existing R & D institutions and promote the setting up of R & D facilities in other suitable institutions by necessary financial support, and by obliging all public and private construction agencies to set apart at least 1% of their annual expenditure for R & D in housing, utilized either by themselves or by appropriate R & D institutions.

5.9. Rural Housing

The following measures are suggested to improve rural housing:-

- 5.9.1. Avoiding unnecessary displacement of rural settlements due to development projects; and where unavoidable, make proper rehabilitation of the households, with full community involvement.
- 5.9.2. Encroachment on agricultural land by proliferation of homestead should be discouraged. Efforts should be made for planned densification of rural homesteads. Subject to availability of khas lands, programmes similar to 'Adarsha Gram' programme of the Ministry of land will be undertaken in rural areas.
- 5.9.3. The coordinated provision of water supply, sanitation, electricity, roads and other basic infrastructure services to existing and new habitations.
- 5.9.4. Providing assistance by way of providing credit, dissemination of appropriate technology and delivery system for promoting housing.
- 5.9.5. Initiating schemes for increased employment opportunities and income generation by extending appropriate credits and advice, so that housing affordability is enhanced.
- 5.9.6. Establishing suitable institutional structure including strengthening of existing organizations at district and local level, with the responsibility for planning, financing, implementation, supervision and monitoring of rural housing schemes, and with the full involvement of beneficiaries, NGOs and CBOs, giving special attention to the needs of the poorest segments, specially women and disadvantaged persons.
- 5.9.7. Linking the development of housing sites and the upgradation of rural housing with the activities under the Bangladesh Rural Development Board (BRDB) and other programmes for the creation of rural assets and employment.

5.10. Slums and Squatter Settlements

Massive rural to urban migration, rapid urbanization and consequent growth of slums and squatters in urban areas, particularly in the large cities have been caused by the enormous increase in the

absolute number of the poor, deterioration of economic condition in the rural areas, frequent occurrence of devastating natural calamities and other factors. The government recognizes the difficult situation in which the poor live in these settlements and struggle to make their living and also contribute to the growth of the urban economy. The poor environmental condition in slums and squatter settlements create health problems for their residents and those in the adjoining areas.

Keeping in view the policies of planned growth of urbanization, income support and poverty alleviation, and together with steps to arrest the growth of new slums in urban areas, the Government would take steps to:

- 5.10.1. Encourage in-situ upgradation, slum renovation and progressive housing development with conferment of occupancy rights, wherever feasible, and to undertake relocation of the squatter settlements from the sites that need to be cleared in public interest.
- 5.10.2. Expand provision of water supply, sanitation and other basic services in slum and other settlements occupied by the poor;
- 5.10.3. Ensure proper maintenance of amenities in slums and squatter settlements through community involvement and decentralized institutional arrangements;
- 5.10.4. Integrate the provision of physical amenities slums and squatter settlements with basic services including maternal and child welfare services and health care, structured on community participation and involvement of voluntary agencies and management by local bodies;
- 5.10.5. Provide night shelters and pay and use public toilet for the footpath dwellers and the homeless;
- 5.11. **Disaster Affected Housing Reconstruction and Rehabilitation**
 - 5.11.1. A very large number of houses in both rural and urban areas are destroyed fully or damaged partially every year by such natural disasters as cyclones, tornadoes, flood, river-bank erosion or by

fire. Proper measures need to be taken to replace such housing units by new housing or by repair, if partially damaged. Disaster housing reconstruction schemes may be taken and special housing loans may be arranged at low interest rate. Material loans may also be provided for quick rehabilitation.

- 5.11.2. Rehabilitation of households affected by natural calamities will be made. Assistance will be provided for reconstruction and essential services, within the national scheme of calamity relief;

5.12. Housing Needs of Women in difficult circumstances

Priority will be given while devising programmes, to meet the specific needs of women in difficult circumstances, in terms of joint or exclusive title to land and house, access to credit, home-based employment, maternal and child welfare, hostels for working women, provision of shelter and services, access to education and income-generating opportunities.

5.13. Housing Needs of the Aged detached from the family

Adequate attention will be given to meet the housing needs of the aged who are detached from the family.

5.14. Disadvantaged Groups

Priority would be given by the government to promote access to shelter for the shelterless, inadequately housed and the disadvantaged groups such as;

- a) households below the poverty line in all settlements;
- b) landless labour, artisans and construction workers;
- c) the households displaced by development projects and the victims of natural calamities;
- d) widows, single women and women-headed households below the poverty line;
- e) the handicapped.

- 0 -