

I. INTRODUCTION

The Dhaka City Management Reform Pilot Project was undertaken jointly by the Bangladesh Centre for Advanced Studies and the Bangladesh Rural Advancement Committee in collaboration with the Asian Development Bank. The project aimed at creating awareness and support among the stakeholders for management reforms in the city government in Dhaka. The project utilized a participatory approach by involving the city administration, other service providers, policy makers, citizens, community organizations and the media, in a series of workshops hosted by the Dhaka City Corporation (DCC) to develop a broad action plan. In addition, a survey of consumers of city services was undertaken to determine access to services, satisfaction levels, and user charges. The final event in the process was a three-day workshop attended by, among others, the mayors of Dhaka, Khulna, and Rajshahi, as well as representatives from the Indian cities of Surat and Calcutta.

In the final workshop, papers were presented on institutional issues, financial management, solid waste management, results of a consumer survey of city services, and general concerns. This chapter provides a summary of these papers followed by a listing of the important recommendations that came out of the discussion at the workshop.

Various plans and policies have been officially adopted over the years by DCC, although many have yet to be implemented. A list of these plans and policies, most of which were prepared in collaboration with international agencies, appears as a box on page 82 of this volume.

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INSTITUTIONAL ISSUES

From 1906 to 1991, Dhaka's area grew by 58 fold and its population by over 35 fold. Many service delivery organizations were created to deal with this tremendous growth. The Water and Sewerage Authority was created to provide drinking water and drainage, the Dhaka Electrical Supply Authority to provide electricity, and the Rajdhani Unnayan Katripakkha (Capital Development Authority) to provide urban housing and city planning. These organizations are independent of DCC and the coordination between them is ineffective. The Government's effort to resolve this problem through constitution of a Coordination Committee has not met with much success. In this regard, three alternatives were considered:

- metropolitan government with overall responsibility for all services in the city;
- a separate ministry for the metropolitan area mandated to coordinate functions of all organizations within the metropolis; and
- a strengthened coordination committee headed by the mayor with power to consider, approve, and coordinate development plans of all organizations in the metropolitan area.

The first alternative, the formation of a metropolitan government, was considered the most appropriate.

It was also observed that DCC was lacking in decentralization of power and responsibility as well as in transparency in its activities. The intention with which the 10 DCC zones were created and powers given to the zonal officers has not been realized. Meanwhile, the lack of transparency in the decision making and service delivery processes has resulted in a situation where citizens are unwilling to pay

taxes and user charges. Remedial recommendations include:

- effective delegation of power to the zones,
- delivery of services through the zonal offices, and
- transparency in DCC activities through involvement of citizens in both work plan formulation and execution.

Citizen involvement could also be promoted by pushing some of the DCC activities down to the ward level. DCC has 90 directly elected ward commissioners, who as members of the council have both policy-making and input monitoring roles. However, by giving them responsibility for monitoring quality of services at the ward level and the resources to do this effectively, service delivery in the city could be significantly improved. Existing facilities for orienting and training the newly elected ward commissioners are inadequate and the ward commissioners are exposed only to very limited and fragmented pieces of knowledge. The ward commissioners also lack an established office, adequate staff, and a budget allocation. The strengthening of the ward commissioners is strongly recommended.

By giving ward commissioners more responsibility, service delivery in the wards could be significantly improved.

FINANCIAL ISSUES

Between 1992/93 and 1996/97, actual DCC income gradually rose from Tk1.37 billion to Tk2.09 billion, while expenditure rose from Tk1.36 billion to Tk2.16 billion. Over 37 percent of income was obtained from external sources, such as the Government of Bangladesh and development partners. Although DCC reported spending 64-68 percent of its total expenditure for development purposes, it is doubtful whether all the items could logically be categorized as development expenses.

Revenue generated by DCC itself rose from Tk0.50 billion in 1985/86 to Tk1.19 billion in 1995/96, but in view of the dramatic increase in population and the loss of money value over time, the effective increase was negligible.

During the last five years, only 65 percent of DCC's budgeted revenue income was realized. Several factors were responsible for this result. Major ones are the cumbersome process of formulating the annual budget, underassessment of the holding tax (the major source of revenue), poor realization of assessed tax, and DCC's reluctance to realize its dues by exercising the coercive authority vested in it under the law. The problem is further exacerbated by shortage of trained human resources.

To improve the situation, both short- and long-term measures have been suggested. Important short-term measures include:

- correct assessment of required staff strength through an organization and method study,
- strengthening of DCC's revenue and financial staff through recruitment of qualified persons,
- orientation of existing staff, and
- introduction of a system of reward and punishment.

Long-term measures consist of:

- introducing transparency in decision making and implementation processes through people's participation and appropriate feedback;
- strengthening DCC's management capacity through introduction of proper geographic information system (GIS) and management information system (MIS) techniques;
- assessing property in DCC at regular intervals while simultaneously assessing a small area through an external agency and using that

assessment as a benchmark for other areas in the city; and

- contracting out some of DCC's service sectors like conservancy, sanitation, and waste disposal to private parties.

Further, it was suggested to:

- create a congenial atmosphere for tax collection/payment with appropriate press coverage,
- develop DCC land to augment revenue income,
- decentralize monitoring and supervision of assessment and collection work to zone and ward level, and
- arrange collection of revenue in at least one ward in each zone through a private agency on commission basis.

SOLID WASTE MANAGEMENT

The Dhaka metropolitan area generates a staggering 3,500-4,000 tons/day of solid waste. DCC which accounts for about two thirds of the population of the metropolitan area is responsible for collection, transportation, and treatment of solid waste within its area of responsibility. In practice a substantial proportion of the solid waste generated every day is left behind to accumulate in low-lying areas.

In addition to household waste, industrial wastes are produced by over 1,000 small and large industries. Hospital waste is another serious problem. Over 500 clinics and hospitals dump around 20 tons of waste per day, 20 percent of which is infectious. Only one of the hospitals, the Institute of Cholera and Diarrhoeal Diseases Research, has a waste disposal system. A third category consists of the tanneries. About 18,000 liters of liquid and 115 tons of solid tannery waste is generated daily by 149 tanneries in the Hazaribag area. All these have a

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severe impact on human health and welfare as well as on the environment.

DCC is simply unable to provide satisfactory service. In most areas of Dhaka City, solid waste disposal is a serious problem. Besides the lack of resources, reasons for the problem include negligence of duty, a faulty reporting system and lack of supervision, coordination, professional skills and accountability.

In some localities, such as Kalabagan, Kathalbagan, Shamoly, Mirpur, Banani, and Uttara, community initiatives at solid waste management have been initiated. The effort is still limited to door-to-door collections of household solid waste and carrying it to the nearest DCC dustbin on monthly payment by each household. Except for the Kalabagan project, which started in 1987, the initiatives are in their nascent stage and gradually trying to overcome the problems of initial investment, community participation, collection time, pickup of the waste from the dustbin by DCC, and service charge payment. However, in spite of initial problems, the initiatives are gaining ground and are providing better conservancy service by keeping the areas clean. They are also charging affordable rates and gradually raising civic awareness.

The recommendation is to promote the system throughout the DCC area by giving each local initiative a specific area. It is expected that, assuming DCC's wholehearted cooperation, these initiatives will provide better conservancy service at an affordable cost.

FINDINGS OF A SURVEY OF CONSUMERS

A sample survey of Dhaka city dwellers was undertaken to measure levels of satisfaction concerning the services provided by various organizations. Results derived from the study can be used as a diagnostic tool for planning and

management of city services. They can also provide a baseline for measurement of subsequent changes and pave the way for a regular citizen satisfaction monitoring program.

The study was carried out in two stages. In stage one, a small number of focused group discussions were held among people of varied economic status to identify the criteria that different people use in assessing their satisfaction of various city amenities. The criteria established through these discussions served as a basis for developing the questionnaires. In stage two, the most knowledgeable members of 600 households, selected throughout the DCC area by cluster sampling techniques, were interviewed. The most important and interesting findings of the survey are listed below.

- Out of a maximum score of 10, customer satisfaction for services rendered by Dhaka Electric Supply Authority (DESA) was 4.9, Water and Sewerage Authority (WASA) 4.7, and the solid waste disposal authority (i.e., DCC) 4.6. Only the gas supply authority (Titas Gas), which scored 6.2, was in the top half of the scale.
- In terms of transparency of activities and keeping customers informed, Titas Gas, DESA, and WASA all scored a relatively low 4.5, while DCC scored only 3.8.
- Consumers expressed considerable frustration, particularly with the performance of personnel responsible for providing city services, and favor the imposition of exemplary punishments to bring about improvement.
- Consumers reported that extra inducements such as unofficial payments are generally necessary to obtain efficient service.
- Some agreed that the only way to improve the provision of utility services is to privatize them. The more affluent families in particular subscribed to this view. However, those from lower income

groups are apprehensive about the increase in service charges.

SOME GENERAL CONCERNS

The average annual growth rate of Dhaka City's population during the last three decades has been over 7 percent, thus doubling its population every decade.

The Dhaka metropolitan area, at present the 22nd largest in the world, will be the 5th largest by 2015. The average annual growth rate of Dhaka City's population during the last three decades has been over 7 percent, thus doubling its population every decade. The present 6 percent growth rate is also quite high. The area limits of the metropolitan area have expanded from 73 square km in 1951 to the present 1,530 square km. The present DCC jurisdiction of 360 square km comprises only 24 percent of the metropolitan area, but within this small area it accommodates a population of nearly six million.

Given the tremendous population pressure, Dhaka suffers from short and irregular supply of basic utility services. The key problems include:

- inadequate and inefficient waste disposal and drainage;
- nonavailability of standard education, health, and recreation facilities;
- short supply of land for housing; and
- unequal ownership of and access to land.

Employment opportunities have increased over the years, but wages are still too low to support a decent life. Environmental conditions and the law and order situation have deteriorated significantly. Huge slums, poor housing, traffic congestion, water shortage, poor sanitation and drainage, irregular electric supply, unplanned construction, increasing air pollution, and poor urban governance — all are leading Dhaka into functional chaos.

Of the organizations serving the residents of Dhaka, DCC comes first with its responsibility for the management of the city and welfare of its

residents. But it is weak administratively, managerially, and financially. It is also understaffed, particularly in terms of quality, and its activities are not transparent. It has limited authority and no role in city planning or physical development. The other important organization, Rajdhani Unnayan Kartripakhya (Capital Development Authority), known by its acronym RAJUK, is Dhaka's physical planner and developer — a function removed from DCC in 1955. Other organizations like WASA, DESA, Titas Gas, and the Telegraph and Telephone Board (T&T Board) also provide important services, but they suffer from capacity and institutional limitations.

In spite of all these drawbacks, there is some cause for optimism. The people of Dhaka City are culturally very active. And, having fought so recently for democracy and independence, they have a keen sense of pride in the democratic process. Dhaka has a directly elected mayor and the city governance system has the potential for improvement. Women also participate in urban concerns. The role of a strong civil society is now emerging as an important force. Foreign investors are selecting Dhaka for its macroeconomic stability, abundant and cheap labor supply, availability of professional human resources, and available land in the Dhaka vicinity. With this positive scenario, opportunities for developing Dhaka are great. The need for an efficient city administration, for Dhaka to fully benefit from these opportunities, cannot be overemphasized.

RECOMMENDATIONS OF THE FINAL WORKSHOP

At the workshop various aspects of Dhaka City's governance were discussed. The experience with change management in the Indian cities of Calcutta and Surat were presented by their city managers. Several citizen initiatives were also discussed. The opportunity of private sector and nongovernment

organization (NGO) involvement in city services, particularly in solid waste management, was highlighted. The presence of the Mayor during the inaugural session was a significant indication of DCC's desire to implement change in city management.

A number of recommendations were made during the course of the workshop, and these are presented below in two broad groups: institutional and operational.

INSTITUTIONAL RECOMMENDATIONS

1. On Governance:

Formation of a Metropolitan Government headed by the Mayor of DCC.

2. On DCC:

DCC should urgently plan to improve its GIS and MIS capabilities.

3. On Ward Commissioners:

Ward commissioners should be provided with proper office and secretarial facilities.

OPERATIONAL RECOMMENDATIONS

1. On Governance:

Recognizing the fact that the formation of a Metropolitan Government will take time, improved coordination by all agencies at all levels is recommended. The inter-agency coordination committee should be given better secretarial support, and meetings should be convened more regularly with effective follow-up. Lower level subcommittees should be set up to sort out local problems.

2. *On DCC:*

- DCC should urgently prepare a plan for training and upgrading all DCC personnel.
- DCC should immediately undertake a study of revenue sources and areas of shortfall with a view to improving revenue generation and collection.

3. *On WASA:*

WASA should improve its customer complaint handling and response procedures by establishing complaint handling centers and maintaining records of all complaints received and solved. The records should be made available for public scrutiny.

4. *On Ward Commissioners:*

A training program for all Ward Commissioners should be designed and implemented.

5. *On RAJUK:*

The Dhaka Metropolitan Development Plan should be published in a simplified form in both English and Bengali and made available to the general public, particularly the media.

6. *On the Role of NGOs:*

NGOs working in Dhaka City should be involved in raising awareness concerning the city environment. Specifically, they should get involved in solid waste collection.

7. *On the Role of the Private Sector:*

A high priority fast-track project involving the private sector in city service provision, e.g., solid waste