# Improving governance for fringe land development and management: Need for stakeholder integration into planning process

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#### 1. Introduction

World is becoming predominantly urban. According the UN Habitat over three billion people live in cities and this number is expected to be doubled by 2050. This phenomenon is mainly observed in Asian and African countries due to comparatively higher urbanisation rate. Ruralurban and urban-urban migration is playing a key role as a driving factor behind this higher rate of urbanisation. This dramatic expansion of population demands access to provision of shelter and therefore, it compels to develop urban fringe in sprawl manner with inadequate services and infrastructures.

The term 'urban fringe' has many different manifestations in the literature in terms of its definition, characteristics and delimitation. As far as the term can be traced, the concept of the 'rural-urban fringe' was formulated by George Wehrwein in 1942 as "the area of transition, between well recognized urban land uses and the area devoted to agriculture" (quoted in Bentinck, 2000: p. 17). The apparent simplicity of the phrase 'urban fringe' belies the complexity of process and actors involved in what essentially is a zone of physical interface and human-environmental interaction. Hence it is a zone of transition with all the potential for disruption, uncertainty, conflict and opportunity that transition can entail (M. Lyon, 1983: p. 7).

Urban fringe is a dynamic area which changes with span of time. It is continuously shifting outward from the city. As the development of urban fringe is closely related with the growth and expansion of a city, it is often difficult to delineate the urban fringe boundary of a fast growing city (Islam and Khan, 1992: p. 59). Urban fringe development is not only a process of transition of land from its rural use to urban use, rather, it is a complex process that involves many concerns such as change in landownership pattern, land transfer process, types of development, regulatory measures and their enforcement. The process of fringe development is not monolithic and may be taken place either by rural actors or by urban actors, may be in formal way or in informal way.

This paper has focused on urban fringe development in Dhaka, Bangladesh through three different case studies – formal land development by public sector and private sector (real estate developers) and informal land development (i.e. slum development) by individual private land owners. Through three different case studies the study analyzes the processes and actors involved in land development processes in urban fringe as well as efficiency of existing spatial planning system that can facilitate the way to a more effective and efficient urban land development as well as proper management of land.

#### 2. Dhaka: An overview

Urbanization in Bangladesh has two notable features – low urbanization level and high population density in its mega city. In Bangladesh the urbanization level is still considerably lower which is 24.2 percent of total population (United Nations, 2004) but Dhaka, the capital of Bangladesh which is presently 11<sup>th</sup> number of mega city (ibid) in the world is absorbing 40 percent of total country's urban population. The area of Dhaka Mega city had expanded

17.88 times from its size in the year 1951, over the same time period population had increased 25.09 folds (Islam, I. et al, 2009). The nature and process of urban expansion in Dhaka is driven by the demographic shifts in form of rural-urban and urban-urban migration. The preferred population forecast for Dhaka 2016 assumes that it will continue to attract 40 percent of all net rural-urban migration and the population will be around 17.91 million by the end of 2015 (United Nations, 2004). This exploding population creates extreme shortage of serviced land for housing to meet the growing demand. As a result, urban fringe in Dhaka is experiencing now daunting population pressure.

## 3. Fringe development in Dhaka: Findings from case studies

## 3.1 Fringe development by different actors

#### 3.1.1 Fringe development by public sector

Case study on RAJUK (Rajdhani Unnayan Kartripakkha - Capital Development Authority) reveals that public sector is mainly developing the residential projects in urban fringe which are still far beyond the means of lower income group, even sometimes middle income group. As most of the projects are self financing, the plot winners are to pay money through installments (generally two installments – first installment is 60 percent of total price and second installment is rest 40 percent). Through lottery system RAJUK selects plot winners from invited applications. Due to high demand but low supply of land plots lobbying and bribing is very common in the selection process of prospective plot owners.

From the research it has been evident that in most of the cases RAJUK fails to complete land development work within their given time. The research reveals that coordination problem of RAJUK with concern agencies often hampers development process. Anomalies also have been alleged in land acquisition and compensation payment in land development projects. Providing compensation based on false information is not also uncommon. Such type of high cost land projects are ensuring tenure security to higher income group though simultaneously violating land rights of lower income group whose land is acquired with low compensation and often without rehabilitation. Moreover, most of the projects undertaken by RAJUK are strongly influenced by political leaders. As a result, most of the plots go to their hands by different names.

According to the Town Improvement Act, RAJUK cannot bring any deviation in the master plan without prior approval of Government. But in reality without any prior approval and consultation with residents of the area RAJUK often occupies open space and fills up lake for creating new housing plots. Change in land use from residential to commercial is also common in land development project though RAJUK argues this phenomenon as a response to the situation demand.

#### 3.1.2 Fringe development by private sector (real estate developers)

Private sector follows a significant way of land development in Dhaka. In the method of development there is a tendency of developers to maximize profit and increase saleable land. Therefore, often they violate land use standard and reduce amount of land for basic facilities. Now a day, private sector is playing a crucial role for rapid conversion of agricultural land in fringe into residential subdivision. In many cases the developers carry out this development activities without any prior approval of government.

Though the favourable government policy has encouraged the formal private sector to expand their range of urban fringe development activities still their target is higher and middle

income groups and motivation is speculative in nature. To get approval land developers use political influence and personal contact with RAJUK (approval giving authority) employees as well as pay bribes. The experiences show that due to bureaucracy and political practice at RAJUK it is very difficult to get permission for land development projects without pursuing of powerful political leaders. All these problems are caused due to corruption, weak administration and centralized system of RAJUK, lack of proper policy and improper implementation of policies. This ongoing phenomenon is paving the way of grabbing public and private land and wetland encroachment.

In Dhaka around 49 housing projects without approval have been identified to be inside the flood plain zones and plain sub-flood plain zones earmarked in the Dhaka Metropolitan Development Plan (DMDP) covering around 9,241 acres of land (Staff Correspondent, 2007). Wetlands also decreased from 13,514 ha in 1960 to 7,128 ha in 2008. Substantial loss of cultivated land was also observed in the same period (Dewan, 2010).

#### 3.1.3 Fringe development in informal way by private individuals

Informal land development represents an effective mechanism through which low-income people get access to land in Dhaka. Presently in Dhaka 30 to 35 per cent of population live in slums which have been developed in informal way. The study on informal land development in Dhaka reveals that the regulatory framework which specifies the planning and building standards, regulations and administrative procedure makes constraints for low-income group to conform to official requirements. The formal process of dealing with land is complex, time consuming and extremely expensive. Total cost does not confine within the amount given by the plan approval authority as bribing also costs a high amount without which the application for approval cannot be proceeded. As a result, to avoid this complexity and expenses the lower income groups are compelled to develop land and construct buildings without conforming rules and regulations. The paper argues that informal land development in form of slum formation is not just a manifestation of demographic and structural change due to urbanization. It is also a result of absence of favourable laws for formal land delivery system, especially for lower income group and it reflects also the lack of political willingness.

The study also identifies that though the informal land developers start the development activities in unauthorized way with their limited financial means, with span of time the area becomes formalized when they are able to develop it in formal way or when the land is purchased by real estate private developers. Therefore, it is no longer affordable for the poor and they are compelled to shift to some other places. This situation actually reflects 'land use succession' in urban fringe.

#### 3.2 Contradictory and complementary roles of actors in development processes

Evidences from the case study areas show that actors' weakest or strongest position depends on the economic and political strength. In this respect, private formal developers are strong from financial position and political contacts. Many of the developers are wealthy businessmen who provide external fund to support their political network and make the optimal use of the political influence. The study reveals that a preferential treatment is driven through so-called decision making process where the decision in case of land projects approval always goes in favour of elite businessmen who act as backbone at the time of national election by funding and favouring. Therefore, persons with high financial capacity and political support have more chances of eligibility to get approval of land projects. Moreover, government officials also conspire in the violation of the rules, whereby they get a share of the profit. Therefore, the activities of the private formal developers in Dhaka are mostly illegal.

Private informal land developers are other important actors in land development process. They fulfill the need of city's poor who cannot afford the high prices and rents resulting from inadequate land supply. But in Dhaka the households which do no posses a legal holding number on land cannot access services from public sector. Therefore, no slum dwellers have legally official water supply pipe lines or electricity. But this problem is solved through the network with 'muscle men' (locally known as mastaan) who act as brokers, assisting the slum dwellers to have access to basic services for a high fee. Often this local power structure or 'mastaans' are the political representatives and manage to get water and electricity through illegal connections with the connivance of local service providing authorities in return for some form of compensation.

The study recognizes that the former land owners whose lands are acquired or brought are the weakest group in the land development process. If the land is acquired by government it is seen that in most of the cases the land owners are deprived from reasonable amount of compensation and rehabilitation. They receive low amount in compensation which is not sufficient enough to buy another piece of land or for a new shelter. On the other hand, private sector often purchases land through bargaining process, sometimes forcefully using political patronage. In the transaction process between private sector and individual land owners the property dealers (land brokers) play an important role. Their function is to collect detailed information on land (ownership, legal status and prices) in the area where the private sector wants to buy land. They act as middlemen and often they are engaged by the private land developers for information collecting purpose. Often it is alleged, they fraudulently misrepresent the price at which the owners of the land want to sell land willingly and thus land brokers make a secret profit.

The study reveals that the government enters into the land development processes in forms of different actors and plays contradictory roles. In one hand, government being the highest level of politics and policy maker is enforcing rules and regulations for guiding urban growth in Dhaka which often implicit conflicting situation with private developers. On the other hand, many political leaders who are forming the government influence and manipulate government administration and decisions. Therefore, the effectiveness of the administration is poor due to individual interest of political leaders and it allows the private developers to develop land illegally.

#### 3.3 Planning has failed to guide urban growth

Since the early 1950s RAJUK has been responsible, no plan has been fully implemented. There is always a gap between regulatory framework and its enforcement and only paper based plan without implementation has collapsed the spatial planning system in Dhaka. The first master plan was drafted by RAJUK (the then Dhaka Improvement Trust - DIT) in 1959. The plan was approved and partially implemented. But it took 40 years against the stipulated 20 years. In 1980, the Planning Commission undertook a full-scale planning exercise for the Dhaka Metropolitan Area through a British consulting firm. The product was quite good, but it never received Government approval and thus was not utilized (Islam, 1998: p. 79). Therefore, there was no master plan after the Master Plan 1959 was dropped. But during that time development went on and buildings continued to emerge. Finally Dhaka Metropolitan Development Plan (DMDP) was approved in 1997 but has not been taken it seriously.

The DMDP of 1995-2015 has been divided into three parts – Structure Plan, Urban Area Plan and Detailed Area Plan (DAP). Though by December 1995, the paper work of the Structure Plan and Urban Area Plan was completed and was published as a gazette in August 1997, the third phase - the Detailed Area Plan is yet to see the light of the day. The

proposed DAP is now stuck in the ministry for its approval for the last eight months (Ahmed, T., 2010) and before submission for approval it took 11 years to finalize the documents. This is the most important part without which the DMDP cannot be implemented or will receive no benefit and probably this is the most neglected part also which has not been drawn up yet.

RAJUK is the sole authority responsible for three primary separate functions for Dhaka – i) to prepare, implement and monitor a master plan for Dhaka city ii) to create planned townships including associated infrastructure and iii) to control the development and approval of plan for the city's land use. But RAJUK is more devoted on housing development as this creates a source of additional income for the RAJUK officials and paves the way to make a link with political leaders.

Problems in the plan implementation are not new in Dhaka. Non-implementation practice has been started from the first Master Plan 1959. Inevitably lack of institutional capacity and corruption in planning process are the main reasons. To formally only approve the Detailed Area Plan will not actually bring the solution. Because the time of adopting new Structure Plan is very near. If the actual constraints are not overcome, the same situation will arise even after 20 years. And that will bring more harmful effects than now because at that time the population pressure will be higher and Dhaka will be no longer livable.

## 3.4 Weak governing system is responsible for poor land management

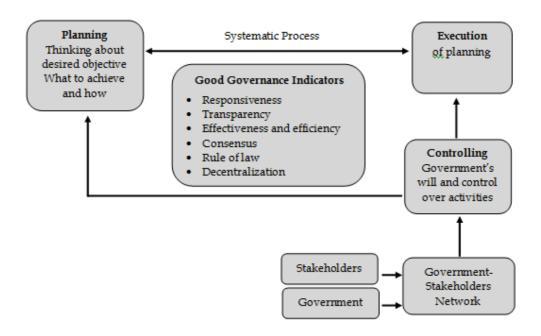
The present situation in Dhaka depicts that there is a big gap between land management strategies and way of its implementation as prescribed and its actual practices in reality. Improper governing system is the main reason behind this gap. Moreover, different actors' complementary and conflicting interest is making worse the situation further. Therefore, for effective urban fringe management there is a need to ensure good governance before bringing any change in planning process. The paper recognizes that presently there is no good land management in Dhaka. The term 'land management' is still a theory which is far behind from its practical implementation due to poor governing system. This is the indispensable fact which is affecting urban fringe development in Dhaka in negative way.

#### 4. Need for stakeholder participation into planning and management process

The paper suggests that irregularities in planning and land management process can take variety of forms and their extent depends on the governing system in respective country. For a sound land management a sound governing system is a primary driver where stakeholders should work in an inter-governmental system. But in developing countries like Bangladesh where governing system is very weak there is a very slim chance to implement any land management plan. Moreover, the over centralized system and absence of stakeholder participation creates the problems further.

Therefore, the paper suggest that to overcome these problems land management and urban planning process should appear as more than a technical style where good governance criteria should be incorporated into management process.

Therefore, the important decisions regarding land management should start within the function of good governance through a 'government-stakeholders network' and continue it in the systematic managerial process. Through this governance-managerial process the land management objectives will be established, achieved and monitored (Figure 01).



## Figure 01: Government-stakeholders network in planning process

# 5. Concluding remarks

Stakeholder participation can be a potentially useful vehicle to enhance the quality of governing system in urban planning process. But in practice to establish a functional structure to involve stakeholders is really a challenging task. Because urban planning process takes place within a country context being influenced by historic and legal tradition, nature of administration, political ideology, legal and institutional framework and defined policy. All the factors play determining role of how planning process is to be built and this set of factors can encourage or constrain stakeholder participation. Therefore, extent of success or failure of stakeholder involvement depends on nature of the process – role of government, institutional framework for state and stakeholder interaction, form of stakeholder involvement and local capacity and resources.

For many corruption prone countries there is also a risk of turning the 'state-stakeholder' relationship into 'patron-client' relationship which will prevent genuine stakeholder participation. This paper finally argues that to overcome many of its limitations, stakeholder participation must be institutionalized and needs to be encouraged through making aware of its benefits. There is also a significant need for capacity building for dealing with land management and urban planning issues. This should focus on professional educational programmes which could enable professionals to deal with the complex issues of decision making in the field of urban planning. No doubt, capacity building can broaden the scope of stakeholder participation and therefore, can offer an opportunity of sound land management.

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