Joint Work Programme for Equitable Economic Growth in Cities

Cities Alliance
Cities Without Slums

**Figure 1:
Campaign Cities map**

Sylhet

Dhaka

Narayanganj

Campaign City Brief
Narayanganj, Bangladesh

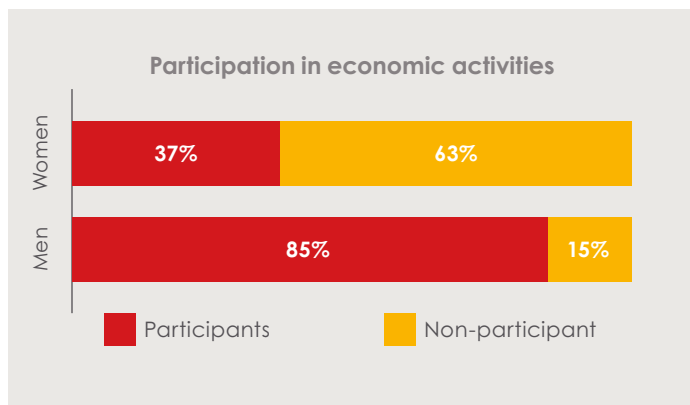| Population[1]	Percentage of people living in slums	Women's participation in economic activities	Percentage of residents visting local government offices at least once a month
1 million	**13%**	**37%**	**40%**

A recognition of the importance of equitable economic growth (EEG), and the need to understand how EEG can be effectively promoted in secondary cities, led to the establishment of Cities Alliance's Joint Work Programme (JWP) on EEG in cities.

A trademark component of the JWP-EEG programme has been the Campaign Cities Initiative (2016–2020). This initiative began by creating local partnerships in eight secondary cities in Bangladesh, Uganda, Ghana, and Kenya. For each city, a diagnostic assessment of constraints to EEG was produced, resulting in the selection of a particular public good or service in the city that should be prioritised.

In Bangladesh, the Campaign Cities Initiative was implemented from December 2016 to December 2018 by the BRAC Institute of Governance and Development (BIGD).

The initiative assisted the secondary cities of Narayanganj and Sylhet (see Figure 1) prepare evidence-based policy recommendations concerning how municipal public goods and services could be delivered in a manner that directly contributes to EEG. In Narayanganj, the focus was on women's economic empowerment and the digitalisation of municipal services.

Participation in economic activities

Women: 37% Participants / 63% Non-participant
Men: 85% Participants / 15% Non-participant

■ Participants　■ Non-participant

Source: Narayanganj Local Assessment Report, 2018

Narayanganj context

Bangladesh has one of the fastest levels of urbanisation in South Asia. By 2015, more than half of the country's population lived in cities. However, while 45% of the country's GDP is generated by activities located in cities, one fifth of the urban population lives below the poverty line.[2] The divergence between economic growth and urban poverty is also manifested in inequitable access to public goods and services in secondary cities like Narayanganj.

Located in the centre of the country and only 24km from Dhaka, Narayanganj, with a population of 709,380 in 2015, is expected to exceed one million inhabitants by 2021. The city is one of the oldest and most prominent river ports in Bangladesh, and an economic and trading hub for the region. Manufacturing dominates the city's economy with half of the 55% of the country's knitwear factories and 33% of textile mills located in Narayanganj.[3]

However, not all segments of the population equally benefit from this economic activity. Over one in 10 residents lives in extreme poverty in one of Narayanganj's 85 slums. In addition, women's participation in economic activities is much lower than men's, with only 37% of women incorporated into the workforce, against 85% of men. Women make up only 3% of trade license applicants.[4]

Moreover, the metropolitan government, Narayanganj City Corporation (NCC), is struggling to provide adequate municipal services to its fast-growing population including some 200,000 day-migrants.

Although the Government of Bangladesh has undertaken various initiatives to digitalise Bangladesh, Narayanganj remains somewhat left out of this 'Digital Bangladesh' vision. More specifically, municipal services are presently delivered manually, which requires frequent travel by city residents to NCC offices and has time and cost implications. On an average, 3.6 visits are needed to obtain a birth registration certificate and average 2.1 visits for a trade license.

Approach and methodology

Each Campaign City initiative took around 24 months to complete, and consisted of the establishment of a City Level Partnership (CLP), followed by the preparation of three consecutive reports and associated workshops:

1. **Establishment of a City-Level Partnership (CLP):** The Campaign City process began by establishing a CLP that used existing local multi-stakeholder fora. The CLP consisted of representatives from local government, chambers of commerce, the informal economy and the broader community, as well as the JWP facilitator. Members of the CLP debated issues and were responsible for the preparing the reports throughout the process.

2. **Preparation of an Institutional Enabling Environment Report (IEER):** A description of the institutional parameters under which NCC operates was presented in the IEER.

3. **Preparation of a Local Assessment Report (LAR):** Based on the outcome of a workshop reviewing the IEER, the CLP identified two priority interventions to be further explored within the LAR: (i) the establishment of a Women's Complex and (ii) the development of City Digital Centers (CDCs). In order to investigate the feasibility and nature of each of the two projects, the campaign city team conducted interviews and focus group discussions with women entrepreneurs, key urban development practitioners and relevant NCC officials; undertook a survey of municipal service recipients; and reviewed official statistics, relevant acts, rules and policies.

4. **Policy Briefs and the Recommendations:** Two respective Action Plans were then developed based on the recommendations of the stakeholders and on an assessment of the investment requirements of each project.

The Campaign Cities initiative collaborated closely with the Narayanganj City Corporation (NCC), the Ministry of Local Government, Rural Development and Cooperatives, and other relevant government and non-government stakeholders, as well as with the JWP members in Bangladesh including DFID, GIZ, UNCDF, UNDP and the World Bank.

Findings

Governance fragmentation

As highlighted in the IEER, while the enactment of the Local Government Act (City Corporation) 2009 theoretically provided NCC with greater functional mandates and responsibilities to provide public goods and services efficiently, the city remains largely dependent on the central government for development works, both in terms of funding and decision-making. There is also a functional fragmentation in the delivery of public goods and services, which creates problems in both coordinating their delivery and maintaining their quality.

Women's Complex

The footprint of Narayanganj as an economic hub – and its connectivity to the national capital and surrounding districts (Munsiganj, Narsindhi, and Comilla) – has generated important employment opportunities in the region. The economic opportunities available in Narayanganj attract thousands of workers, mostly women, from different parts of the country. Nonetheless, fewer women participate in economic activities than men.

According to the LAR report, women in Narayanganj face the following barriers to increase their participation in economic activities and scale up their existing businesses:

→ Weak backward and forward linkages of their products with the local economy;

→ Inadequate provision of need-based customised skill development programmes and barries to their enrolement in the existing training programmes;

→ Weak market intelligence – knowledge of product diversification, various market segments and product pricing;

→ Absence of social and recreational services;

→ Lack of health services; and

→ Absence of childcare facilities for working mothers.

NCC proposed to address these issues by establishing a Women's Complex. Interviews and focus group discussions organised with women entrepreneurs and non-governmental organization (NGO) officials and women living in low-income settlements in Narayanganj revealed that the women want to move away from stereotypes of traditional women's occupations, that is, household and childcare. In addition, women lack access to institutional loan services, including commercial bank loan products, and thus finances for business expansion are often inadequate.

The groups expressed a need for an exclusive market for women, since women have limited opportunity to set up shops in NCC's and private markets. In the absence of a permanent sale outlet with appropriate product displays and storage space, women are often unable to command appropriate prices for the products. They are unable to attract buyers with high purchasing power and the profit margins are cut down further due to product loss resulting from lack of proper display and storage space.
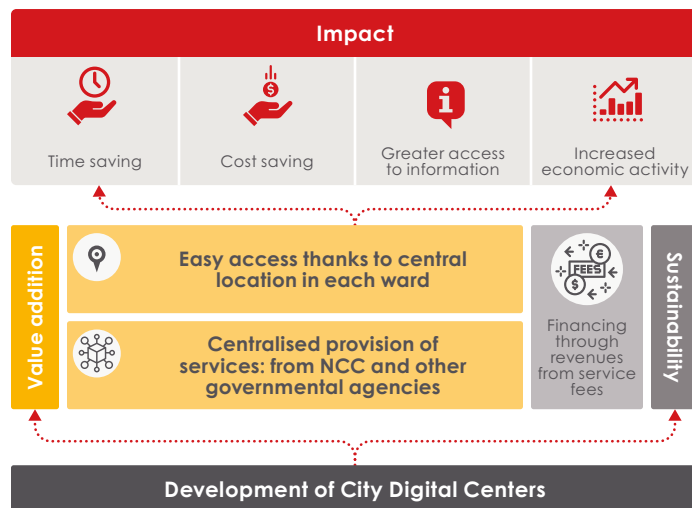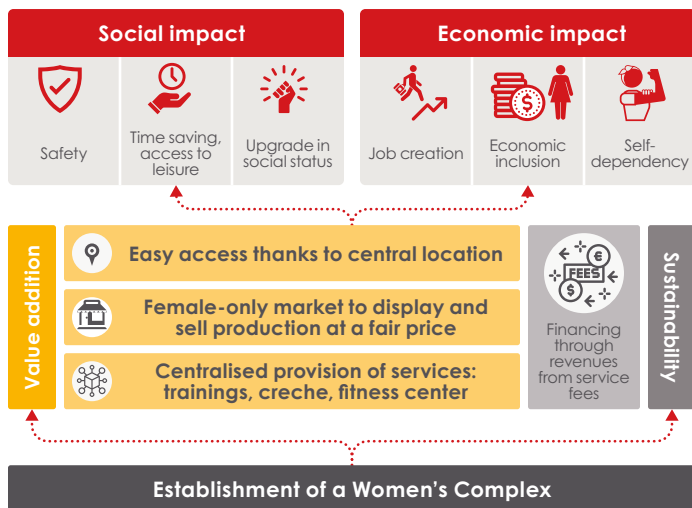
City Digital Centers (CDCs)

National plans and policies stipulate undertaking extensive digitalisation of the public sector for Bangladesh to reach a middle-income country status by 2021. The way to create a 'Digital Bangladesh' is for every public agency (including city corporations) to commit to simplify at least one service and digitalise another every year. The NCC has set a priority to establish City Digital Centres in every ward to ease citizens' access to services, stimulate economic activities, and mobilize resources.

At present, municipal services are delivered manually. As a result, the residents of Narayanganj have to travel long distances, often multiple times, incur high costs, and endure considerable delays and hassle to access public services. NCC also spends substantial amounts to cover the administrative and transaction costs, because of archaic, paper-based, manual processes.

Introducing a CDC in a central location within every ward will address these issues, by promoting efficient delivery of public goods and services, and ensuring transparency. In addition to the stated municipal services from other government agencies (e.g., land and passport services), tax services from the National Board of Revenue, utility bill payments and relevant private services can be introduced to keep the CDCs functional and profitable.

Social impact

| Safety | Time saving, access to leisure | Upgrade in social status |

Economic impact

| Job creation | Economic inclusion | Self-dependency |

Value addition

- Easy access thanks to central location
- Female-only market to display and sell production at a fair price
- Centralised provision of services: trainings, creche, fitness center

Financing through revenues from service fees

Sustainability

Establishment of a Women's Complex

Impact

| Time saving | Cost saving | Greater access to information | Increased economic activity |

Value addition

- Easy access thanks to central location in each ward
- Centralised provision of services: from NCC and other governmental agencies

Financing through revenues from service fees

Sustainability

Development of City Digital Centers

Recommendations

Women's Complex

The Campaign Cities reports and consultations identified measures to develop and operationalise the Women's Complex, including:

→ **Positioning the Complex as a single-window delivery mechanism for all economic empowerment activities for women.** It should provide women with tailored skill development programmes, access to finance and institutional support, a female-exclusive market to display and sell their products through market linkages, but also access to physical fitness and creche facilities.

→ **Operating the Complex according to a self-sustaining Social Business model.** The diversity of services provided will allow to raise revenues to cover operational and maintenance costs and generate a surplus.[5]

→ **Building the complex at the centre of the city.** This would allow women from all of Narayanganj's 27 wards to easily access its services. Additional Women's Complexes may be established in the region.

→ **Developing and running the Complex in cooperation with other stakeholders.** Partnerships with the Bangladesh Municipal Development Fund and development partners can provide access to capital, while the Ministry of Women and Children Affairs and organised business groups can help identify beneficiaries and implement programmes.

City Digital Centers (CDCs)

The recommendations that were proposed for the development of the City Digital Centers include:

→ **Making CDCs one-stop services at the ward level.** Service delivery from NCC and other government agencies should be centralised to save time and increase efficiency. However, the national government needs to be willing to delegate its local agencies' services to CDCs. Priority should be given to services that have back-end digital databases.

→ **Building a CDC at the center of each ward.** Citizens should be able to obtain services within walking distance from their homes to reduce travel costs. Remote wards may be given priority.

→ **Ensuring sustainability of service delivery.** CDCs should be operated on an Entrepreneurial Model, in which the entrepreneurs will receive service charges in addition to official fees/charges for services to meet all capital and operational expenditures. NCC needs to monitor entrepreneurs' profitability to keep the CDCs functional.

→ **Linking the CDCs with government's initiatives under 'Digital Bangladesh'.** The development of CDCs should be done in coordination with the Access to Information (a2i) initiative and build on learnings from this programme.

Endnotes

1 According to 2011 Census, 709,380; projected to over 1 million by 2021
2 Venables, 2015, and Mahbub ul Haq Human Development Centre, 2014
3 BIGD, 2013, and Noman et al., 2016
4 Trade License and Issued and Renewal in 2017, Official data collection from NCC, January 2018
5 The LAR estimated that training and other services could generate Tk. 37 million over the first three years of operation. This would cover the required Tk 24.6 million of operational and maintenance costs and make a surplus of Tk. 12 million.

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