

**Address by Mr. Zhu Xian**  
**Country Director, World Bank**  
**Strategic Environment Assessment of the Detailed Area Plan**  
**Sheraton Hotel, August 16, 2007**

- **Mr. A S M Rashidul Hai**, Secretary, Ministry of Housing and Public Works
- **Mr. A. H. M. Rezaul Kabir ndc**, Secretary, Ministry of Environment and Forest,
- **Mr. Muhammad Abul Quasem**, Director General, Local Government Division,
- **Mr. K. A.M Haroon**, Chairman, RAJUK

Distinguished guests and participants,

Ladies and Gentlemen:

Good Morning. It is a great privilege for me to be able to join this important workshop and to be able to share my thoughts with you today. The Draft Final Report of the Strategic Environmental Assessment being discussed today is a significant analysis from which Dhaka – its environment and its people – can greatly benefit.

Bangladesh can reasonably aspire to join the ranks of middle-income countries within a decade, by 2016 or soon thereafter. With much-improved economic fundamentals and successful implementation of many first-generation reforms, Bangladesh is well placed for such performance. Its young, rapidly growing labor force and an entrepreneurial private sector would also be conducive. While economic growth is essential to reduce poverty, we must also take into account what Bangladesh's Poverty Reduction Strategy has cautioned us about:

**“A careful balancing act must be orchestrated where economic growth is maximized without compromising environmental protection...”**

Dhaka, the fastest growing mega-city in the world, is Economic Heart of this Country. Greater Dhaka currently represents more than 40% of Bangladesh’s national GDP. Its population is expected to grow annually at 9%. A significant population of Dhaka is migrants who come from rural areas in search of new livelihood opportunities. Although their contribution to Dhaka’s economic growth is significant, however, it also adds tremendous pressure on an already crowded city with limited inhabitable land.

The city is, therefore, increasingly characterized by large slums, poor housing, excessively high land prices, traffic congestion, water shortages, poor sanitation and drainage, irregular electric supply, unplanned construction, increasing air pollution and poor urban governance which results in growing problems of law and order.

Currently about 55% of Dhaka residents still live below the poverty line and 4.2 million people are estimated to live in slum areas. The Bangladesh Country Environmental Analysis (CEA) found that all Dhaka residents are to some extent impacted by deteriorating water quality. The poor who have few options for accessing clean water are the most vulnerable.

In view of Dhaka’s rapid development, changing urban landscape and critical environmental and governance challenges, the need for institutional strengthening and requisite city planning is becoming increasingly important.

The World Bank considers this Strategic Environmental Assessment to be significant as it will inform the strategic decisions, improve inter-sectoral links and, hopefully, contribute to the reform in the planning process. It will provide strategic guidance to the preparation of the proposed Dhaka Integrated Environment and Water Resources Management Project. This proposed project would look at environmental improvement at the Dhaka watershed level.

Therefore, this SEA falls in line with the Bank's overall mission of promoting environmentally sustainable growth of Bangladesh as a whole and Dhaka city in particular. Now that detailed level urban plans are being formulated for six regions of the DMDP, it was considered to be an ideal time to undertake an independent assessment about the possible environmental consequences of implementation of such plans and build in corrective measures wherever required.

This study has played a crucial role in highlighting the major gaps in the planning process and institutional weaknesses, hindering the planned development of the city in accordance with DMDP formulated in the early 1990's. At the same time, the study has brought into focus high potential risks to the environment and the vulnerable sections of the society that may result if the overall urban planning process does not take certain strategic planning principles into account. For example, the study has pointed out the high risk of flooding to certain fringe areas of the DMDP which can be further aggravated by climate change impacts in the medium to long term.

The Study has consequently highlighted an urgency to draw up integrated regional planning taking into account the entire Dhaka Metropolitan Development Area. The study has pointed out a need for institutional reforms and strengthening of key planning agencies like RAJUK in order to ensure that urban planning in Dhaka is undertaken in a holistic manner and factoring the requirements of the weaker sections of the society whose interests have been neglected in the planning process till now. The World Bank would be happy to support the Government of Bangladesh in this process.

Placing Bangladesh on a sustainable growth path will also require broad public access to environmental information and enhanced awareness of environmental risks, along with transparent and consultative decision-making at the local and national levels. The report presented today will help us to address these different environmental challenges, and I welcome the close collaboration of civil society at large, and our development partners, to successfully plan to address priority environmental issues underlying Bangladesh's sustainable development.

It is, therefore, important that the key messages from the Strategic Environmental Assessment are validated at this workshop. This will not only promote awareness and understanding in all parts of the society, but will also allow participation to help build consensus and facilitate effective design and implementation in the future. I do hope that the discussions which will carry on after this inaugural session will result in suitable stakeholder's feedback to the study team lead by RAJUK, in finalizing the report.

**Thank you.**