

Lecture 07 - 09:
Planning Process in Bangladesh:
Planning Project Approval

Course Teacher:
Md. Esraz-Ul-Zannat
Assistant Professor
Dept. of URP, KUET

1

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ACKNOWLEDGEMENT

These slides are aggregations for better understanding of the topic mentioned in the previous slide . I acknowledge the contribution of all the authors and photographers from where I tried to accumulate the info and used for better presentation.

OBJECTIVE OF THE CLASS

- To have understanding of the the lifecycle of urban development and project planning for urban development plan in Bangladesh.
- To know about the Bangladesh planning commission, its structures, functions and the process of project approval

TOPICS TO BE COVERED BY THIS PRESENTATION

- The lifecycle of urban development
- Project Planning for Urban Development Plan
- Planning Commission
 - Structure of Planning Commission
 - Evolution of Planning Commission
 - Role of Planning Commission
 - Functions of Planning Commission
 - National Economic Council (NEC)
 - Executive committee of National Economic Council (ECNEC)
 - Sectors/Divisions of the Planning Commission
 - Functions of the Programming Division
 - Functions of the “General Economic Division”

TOPICS TO BE COVERED BY THIS PRESENTATION

- Planning Commission (continued)
 - Planning Process
 - Development Strategy
 - Vision 2021
 - Perspective Plan 2010 - 2021
 - Six Five Year Plan (SFYP) 2011 - 2015
 - Development Status of Bangladesh
 - Targets of SFYP
 - Functions of Other Divisions
 - Classification of Projects
 - Institutional Linkages
 - Role of IMED

The lifecycle of urban development contains the following phases:

- Initiative
- Pre-planning
- Urban planning
- Detailed planning
- Implementation
- Operation/maintenance/monitoring

THE LIFECYCLE OF URBAN DEVELOPMENT

The lifecycle of urban development contains the following phases:

- *Initiative*: the need for a concrete intervention is identified (even in a shrinking city), e.g. the creation of a new settlement, the creation of a new infrastructure element or a facility, the renewal of a whole or part of a neighborhood
- *Pre-planning*: general objectives and guidelines for the new intervention are established, e.g. overall dimensions, zones, target users, general deadlines and financing. In other words, the establishment of general planning principles and guidelines according to the needs and wishes of citizens (possible tools: future workshops, research)
- *Urban planning* begins according to established guidelines. Iterative process which should include decision-making about definite uses, locations and characteristic urban elements (possible tools: planning workshops, Planning for Real estate)

THE LIFECYCLE OF URBAN DEVELOPMENT

The lifecycle of urban development contains the following phases
(Continued):

- *Detailed planning and architectural design begins once the final development plan has been prepared, e.g. the assignment of different building projects and sectors to different planners and experts through diverse procedures (competition, direct external contracting, internal contracting etc.)*

Continuation of the iterative process applied to specific elements of the project. For instance, users might be particularly involved in the detailed design of a community space of special value (possible tools: micro-planning workshop, architectural charrette);

THE LIFECYCLE OF URBAN DEVELOPMENT

The lifecycle of urban development contains the following phases
(Continued):

- *Implementation and construction* begins according to the established deadlines. Control and monitoring of the work in progress in order to check that the results correspond to the agreed plan (based on the development plan as a starting scenario, which has been checked and transformed during the iterative planning and participation phases) and to reduce the possible disruption caused by the construction process itself (possible tool: Neighbourhood Planning Office)
- *Operation/maintenance/monitoring*: flexible adaptation through the establishment of bodies both for self-management and for communication with and between the administrative bodies in charge. This should be done in such a way that the results of continuous evaluation and monitoring are fed back into the planning process, in accordance with the idea of the cycle (possible tool: Neighbourhood Planning Office)

PROJECT PLANNING FOR URBAN DEVELOPMENT PLAN

- An Urban Development Plan starts with a project (Project as it is a local level plan and its sphere of works is quite smaller compared to national level)
- A project for the preparation of urban development plan may start with based on the existing plan (as continuation of the previous exiting plan) or having no previous plan for urban growth management and welfare as a whole of the society.

PROJECT PLANNING FOR URBAN DEVELOPMENT PLAN

- An urban Planning project follow several steps:
 - Development Project Proposal (DPP) Preparation by the development authority (i.e. KDA, RAJUK, etc.)
 - Submission of DPP to concerned ministry (Ministry of Housing and Public Works (H & PW) for Development authority and Ministry of Local Government and Rural Development & Cooperatives (LGRD & C) for Municipalities (Pourashava)) and the ministry will review and forward it to the Planning Commission for the final approval.

(See the website of Planning Commission at

www.plancomm.gov.bd)

PROJECT PLANNING FOR URBAN DEVELOPMENT PLAN

- An urban Planning project follow several steps (Continued)
 - Standard Request for Proposal (SRFP) and Terms of Reference (ToR) Preparation (ToR is the part of the SRFP which is the guidelines for the consultants to develop the technical proposal and guiding the project works.
 - Tender Notice asking for Expression of Interest (EoI) from the Consultancy Firms
 - Technical and Financial Proposal Submission by the firms
 - Evaluation of the proposals for Firm Selection
 - Agreement with the selected Firm

PROJECT PLANNING FOR URBAN DEVELOPMENT PLAN

- An urban Planning project follow several steps (Continued)

Starting of the pure planning works

- Starting of urban planning works which will go through several steps
- Plan Review by different committees and Finalization after the preparation of the plan
- Gazette of the plan and the plan becomes as regulatory documents

PLANNING COMMISSION

PLANNING COMMISSION



Planning Commission

Ministry of Planning, Bangladesh

[Home](#) | [About us](#) | [ADP](#) | [RADP](#) | [MDG Reports](#) | [Perspective Plan](#) | [NSD Strategy](#) | [Five Year Plan](#) | [NSSS](#) | [DPP](#)

Notice Board

- ✓ [Guidelines for Annual Performance Agreement \(APA\)](#)
- ✓ [Conference on: Towards Sustained Eradication of Extreme Poverty in Bangladesh](#)

Welcome to Planning Commission



The Bangladesh Planning Commission is the central planning organization of the country. It determines objectives, goals and strategies of medium and short-term plans within the framework of long-term perspective and formulates policy measures for the achievement of planned goals and targets. Its activities

Sectors

- ✓ [Programming Division](#)
- ✓ [General Economics Division](#)
- ✓ [Socio-Economic Infrastructure](#)
- ✓ [Physical Infrastructure Division](#)
- ✓ [Industry & Energy Division](#)
- ✓ [Agriculture, Water Resources & Rural Institution](#)

Committees

- ✓ [NEC](#)
- ✓ [ECNEC](#)

PLANNING COMMISSION

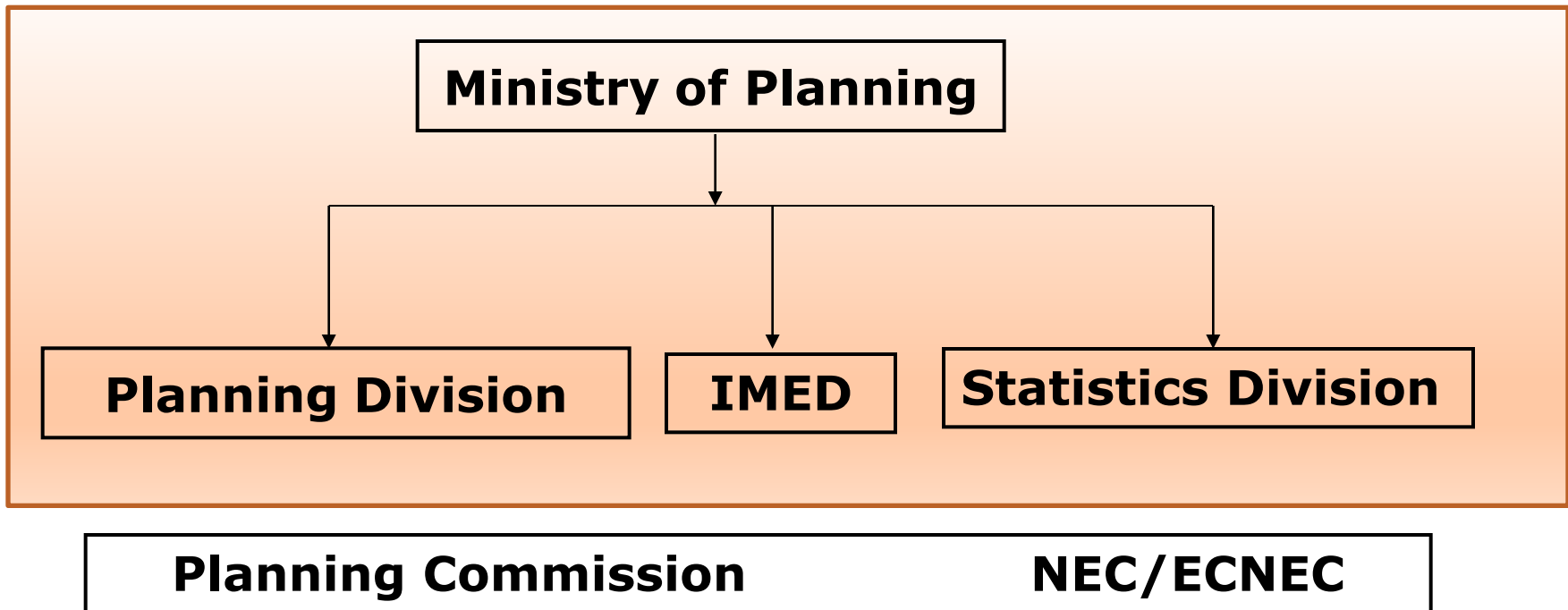
Planning Commission is the central planning organization of Bangladesh. It determines objectives, goals and strategies of medium and short-term plans within the framework of long-term perspective and formulates policy measures for the achievement of planned goals and targets. Its activities includes the following elements of development planning:

- *Policy Planning*: determination of goals, objectives, priorities, strategies and policy measures for development plans;
- *Sectoral Planning*: identification of the role that the various sectors of the economy are required to play in the context of the Plan objectives and goals;
- *Programme Planning*: formulation of detailed resource allocation to realize the Plan objectives and goals;

PLANNING COMMISSION

Elements of development planning (Continued):

- *Project Planning*: appraisal of projects embodying investment decisions for the implementation of the sectoral plans; and
- *Evaluation*: impact analysis of projects, programmes and Plans on the people's living standard.



Planning Division works as the secretariat of the Planning Commission

STRUCTURE OF PLANNING COMMISSION



EVOLUTION OF PLANNING COMMISSION

- Pakistan Planning Commission, 1953
- Planning Board Created in 1956 and was renamed as East Pakistan Planning Department, the full-fledged planning agency of then East Pakistan.
- Planning Cell in 1971
- Bangladesh Planning Commission in 1972
- Project Implementation Bureau (PIB) in 1975
(IMED (Implementation, Monitoring and Evaluation Division) in 1984 placed under M/O (Ministry Of) Planning)
- External Resource mobilization was entrusted to ERD (Economic Relation Divisions) in 1975 and was placed under M/O Planning
- Later it was placed under M/O Finance
- Planning cells in different Ministries/ Divisions in 1977

ROLE OF PLANNING COMMISSION

- Planning Commission is entrusted with the task of planning socio-economic development of the country
- It has a three-fold role in development
 - *Advisory role:* Advising the government in matters of development goals and objectives, priorities, strategies and policy measures
 - *Executive role:* Preparation of plan, processing of development projects for approval, preparation of Annual Development Programme (ADP)
 - *Coordination role:* Co-ordination of whole range of planning activities

FUNCTIONS OF PLANNING COMMISSION

- Formulation of country's medium-term (5 years) macro plan within the framework of long-term (15-20 years) perspective.
- Formulation of the Three Year Rolling Investment Programme (TYRIP) in consistence with the Five Year Plan.
- Formulation of Poverty Reduction Strategy Paper (PRSP) .
- Preparation of Annual Development Programme (ADP) within the framework of TYRIP and Five Year Plan.
- Appraisal of project proposals for the Executive Committee of National Economic Council (ECNEC) and the Minister for Planning.
- Evaluation of Plans and their impact on the economic development.
- Undertaking and promotion of research to support development planning.

PLANNING COMMISSION MAINLY WORKS THROUGH

- National Economic Council (NEC)
- Executive committee of National Economic Council (ECNEC)

NATIONAL ECONOMIC COUNCIL (NEC)

- NEC the highest body for consideration of development activities reflecting of long term national policies and objectives

○ Composition

- Chairperson: Hon'ble Prime Minister
- Member: All Members of the Council of Ministers

○ Persons required to assist NEC

- Cabinet Secretary, Principal Secretary
- Governor, Bangladesh Bank
- All Members of Planning Commission
- Secretaries of Ministries/Divisions

FUNCTIONS OF NATIONAL ECONOMIC COUNCIL (NEC)

- Provides overall guidance for perspective plan, Five Year Plans, PRS, ADP & Economic Policies
- Finalizes & approves plans, programmes & policies
- Reviews implementation progress of development programmes/projects
- Takes any decision as and when necessary for socio-economic development
- Appoint committees as required to assist NEC

○ Composition

- Hon'ble Prime Minister – Chairperson
- Minister of Finance – Member
- Minister of Planning – Member
- Minister of Agriculture – Member
- Minister of Labour and Employment – Member
- Minister of Water Resource – Member
- Minister of Commerce – Member
- Minister of Communications – Member
- Minister of Shipping – Member
- Ministers / State Ministers of relevant Ministries – Member

○ Officers of assisting ECNEC

- Cabinet secretary
- Principal secretary/secretary, office of the Prime Minister
- Secretaries, Planning, Finance, ERD & IMED
- All members of the planning Commission & relevant secretaries.

TOR OF ECNEC

- Approves projects (costing over Tk. 25 crore)
- Reviews projects' implementation
- Considers Public Private Partnership (PPP) proposals
- Monitors economic situation & economic activities
- Policy review
- Consider measures & impact relating to aid of the development partners

Planning Division consists of six divisions (17 Sectors)

1. Programming Division
2. General Economics Division
3. Socio-Economic Infrastructure Division
4. Agriculture, Water Resource and Rural Institution Division
5. Industries and Energy Division
6. Physical Infrastructure Division

FUNCTIONS OF THE PROGRAMMING DIVISION

- Resource Allocation for preparation of Annual Development Programme (ADP)
- Co-ordination and guidance of preparation and finalization of Annual Development Programme
- Co-ordination of multi-sectoral Projects
- Release / Reallocation of Funds where necessary

ADB FORMULATION

A simplified series of steps in the formulation Process of Annual Development Programme.

The Inter-ministerial "Resource Committee" at the Finance Division estimates the resources availability for the ADP



Programming Division of Planning Commission prepares the sector/project wise ADP allocation in consultation with the Sector Divisions, GED of the Planning Commission, sponsoring Ministries and agencies.



Programming Division place the draft ADP at the Planning Commission Meeting for finalization



Planning Division Submits the final ADP to NEC for formal Approval

ADB 2011-2012

- Size of the ADP 2011-12: BDT 460 billion.
- Local Resource: BDT 251.80 billion(55%)
- Foreign Resource: BDT 208.20 billion (45%)
- GoB Money: BDT 273.15 billion (59%)
- Project Assistance: BDT 186.85 billion (41%)

ADB (SECTOR WISE ALLOCATION)

Sector	RADP 2010-11	ADP 2011-12
1. Agriculture	2317.54	2734.64
2. Rural Development & Rural Institutions	4550.23	4402.85
3. Water Resources	1262.82	1374.82
4. Industry	431.10	665.64
5. Electricity	5617.08	7172.47
6. Oil, Gas and Natural Resources	1071.50	1114.00
7. Transport	5342.27	7749.79
8. Communication	279.93	304.63
9. Infrastructure Planning, Water Supply, Housing	3346.14	5651.06
10. Education & Religion	5053.84	6124.67

ADB (SECTOR WISE ALLOCATION, CONT....)

Sector	RADP 2010-11	ADP 2011-12
11. Sports and Culture	381.75	266.56
12. Health, Nutrition, Population, Family Welfare	3164.68	3942.53
13. Mass Communication	92.60	116.36
14. Social Welfare, Women affairs and Youth Development	332.66	445.12
15. Public Administration	1095.28	1085.62
16. Science, ICT	151.96	237.02
17. Labour and Employment	46.38	175.05
Sub Total (1)	34537.76	43562.83

ADB (SECTOR WISE ALLOCATION, CONT....)

Development Assistance	RADP 2010-11	ADP 2011-12
18. a. Upazila Development Assistance	350	400
18. b. Union Parishad Development Assistance	40	40
19. Municipality Development Assistance	270	320
20. CHT Development Assistance	80	85
21. CHT Local Government Development Assistance	25	30
22. CHT Development Board Development Assistance	25	35
23. Development Assistance for Special Areas (excluding CHT)	12	15
24. Zilla Parishad Development Assistance	278	300
25. City Corporation Development Assistance	125	135
26. Development Assistance for Special Purpose	137.24	1077.17
Sub Total (2)	1342.24	2437.17
Total (1+2)	35880.00	46000.00

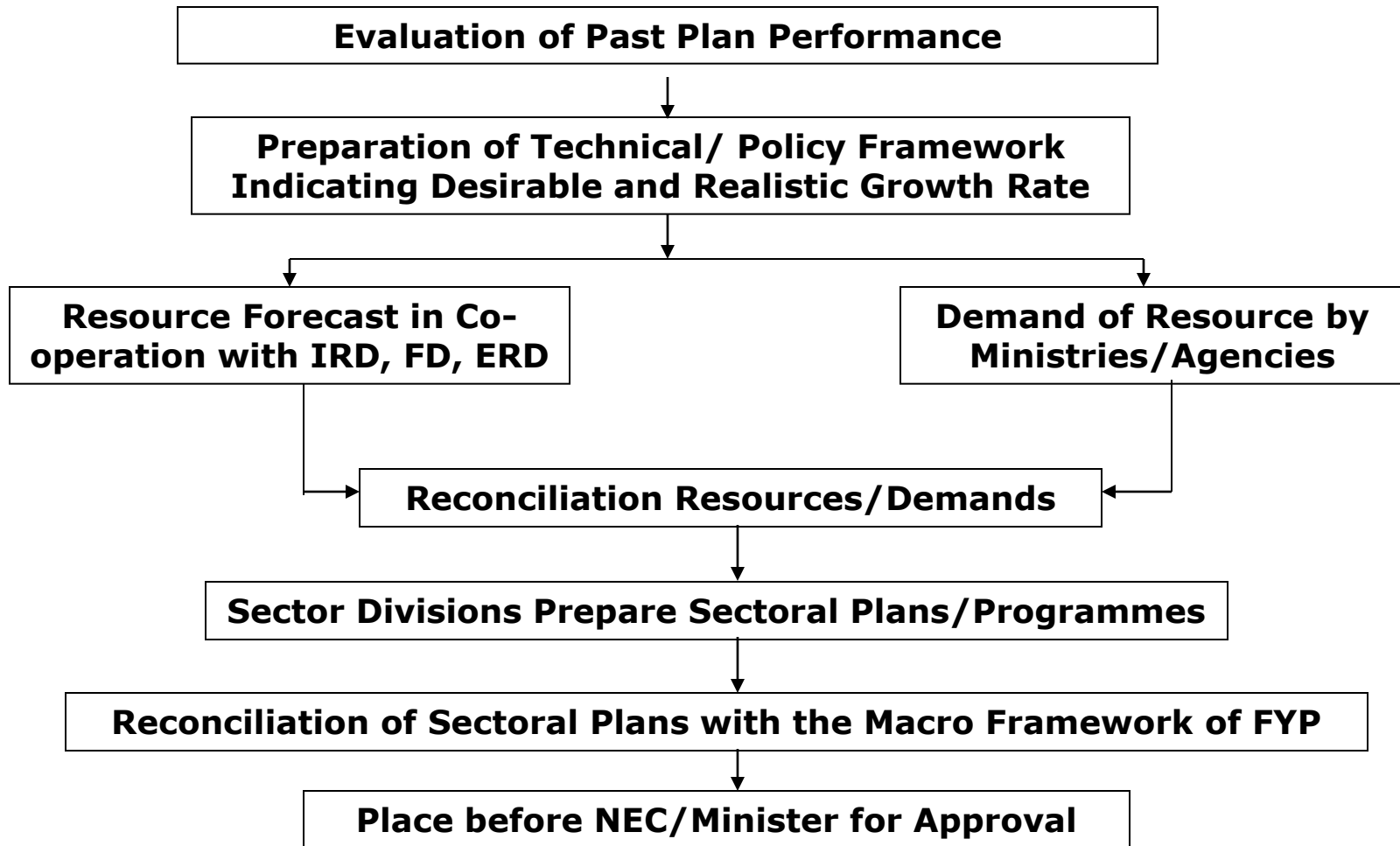
FUNCTIONS OF THE “GENERAL ECONOMIC DIVISION”

- Evaluation of Plans and Policies
- Review of macro-economic situation
- Assist to determine macro-economic Policies.
- Co-ordination of finalization of plan, perspective plan, Five-year plan etc.
- Poverty Reduction Strategy Paper, MDGs, Vision Paper etc.

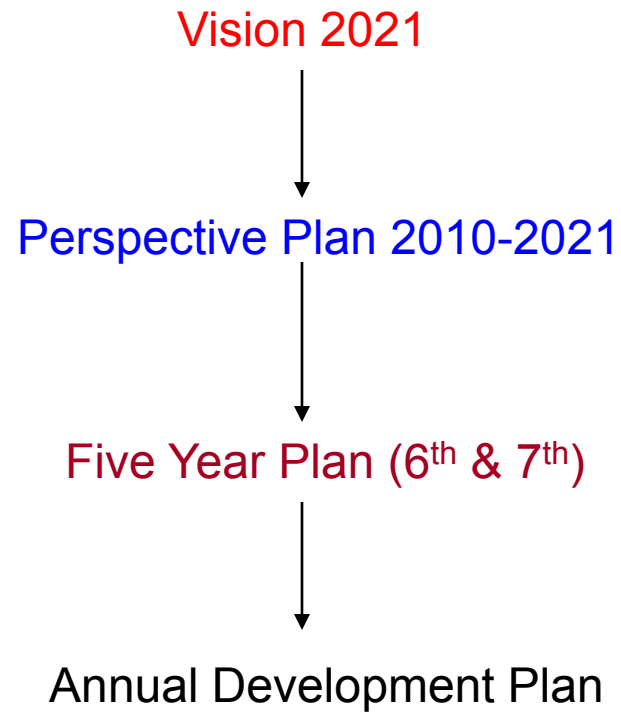
PLANNING PROCESS

- Prepared based on Models – Input Output (IO) table , Social Accounting Matrix (SAM) & Computable General Equilibrium (CGE) model
- Prepared in Consultation with Sectors, Ministries, Agencies and different stake holders.

Steps in the Formulation of Five-Year Plan



DEVELOPMENT STRATEGY



VISION 2021
&
PERSPECTIVE PLAN 2010-2021

Citizens will

- Have higher standard of living,
- Be better educated,
- Face better social justice,
- Have a more equitable socio-economic environment.

VISION 2021

- The sustainability of development will be ensured through better protection from climate change and natural disasters.
- The associated political environment will be based on democratic principles with emphasis on human rights, freedom of expression, rule of law, equality of citizens irrespective of race, religion and creed, and equality of opportunities.

VISION 2021

The economy will be managed within the framework of a **market economy** with appropriate government interventions to **correct market distortions**, to ensure equality of opportunities, and to ensure equity and social justice for all.

PERSPECTIVE PLAN 2010 - 2021

- The plan will be implemented through the Sixth Five Year Plan (2011-2015) and the Seventh Five Year Plan (2016-2020)

PERSPECTIVE PLAN 2010-2021, MAIN OBJECTIVES

- Elimination of illiteracy as soon as possible after 2014.
- Attainment of 100 percent enrolment with gender parity and specific steps in addressing the dropout problem, particularly of the girl children.
- Expansion and diversification of the industrial sector for enlarging the share of the secondary/industrial sector to 35 per cent of GDP and for employment generation.
- Strengthening information technology towards a digital Bangladesh.
- Reduction of unemployment rate to 15 percent.
- Decrease in the number of people below poverty line to 25 million i.e. to 15 percent.
- Ensure per capita energy consumption rising to 600 kwh.
- Raising per capita income to US \$ 2000.

“Accelerating Growth and Reducing Poverty”

(In the line of Vision 2021 and Perspective Plan 2010-2021)

DEVELOPMENT STATUS OF BANGLADESH

- **Member of Least Developed Countries** (LDCs).
- **GDP Growth : 6.7%**
- **Per Capita Income: US\$ 750** (approx.)
- **CPI Inflation :10.2%** (May, 2011, BBS) [Food price inflation 13.16]
- **Gross Domestic Investment** (% of GDP) : **24.73** [June 2011; estimated]
- **National Savings** (% of GDP) : **28.2** [BDT 2084 billion] *
- **Total Revenue: BDT 758.9 billion** *
- **Total Expenditure: BDT 1115.9 billion** [Overall Shortfall: BDT -257 billion] *
- **Total Export: US\$16.2 billion***
- **Total Import: US\$ 21.4 billion***
- **Total Remittance: US\$11 billion***
- **Gross foreign Exchange Reserve: US\$ 10.7 billion** *
- **Outstanding Debt: BDT 2777.6 billion** [External: 51%, Domestic 49%] *

* 2009-10; actual

DEVELOPMENT STATUS OF BANGLADESH (CONT...)

- **Ease of Doing Business : 107** (ranking) { India 135}
- **Cost of Startup Business Procedures** (% of GNI) : **33%**
- **Share of Working Population** (age group 15-64): **58.5%** of 85 million of 15+ age group.
- **Participation in Labor Force: 86% Male** (of 43 million) , **29% Female** (of 42 million)
- **Share of Agriculture in GDP: 19.4%** [48% labor force employed]
- **Employed Labor in Formal Sector: 22%** [11% in Manufacturing Sector]
- **Share of Manufacturing in GDP: 17.8%**
- **Poverty Headcount Ratio: 31.5%**
- **Total Electricity Generation capacity (Installed): 5922**
- **Max Electricity Generation** (Derated) 4736 (April 2011)
- **Per capita Power Generation: 236 kWh**
- **Transport System: 20,948** km of paved roads under R&H; **89,000** km rural (paved) road under LGED; **2,706** route-kilometers of railways (BG-884 km and MG -1,822 km); **3,800** km of perennial waterways which increases to **6,000** km during the monsoon, **2** seaports and **2** international airports and **8** domestic airports.
- **Mobile Phone Subscription: 52** million [end of 2009]
- **Productive Forest Coverage: 13%**

DEVELOPMENT STATUS OF BANGLADESH (CONT...)

- No. of power plants: 19
- Total generation capacity 6727 MW (derated)
- Maximum generation: 4890 (11-6-11)
- Average generation (May 11): 4318
- Per capita power generation: 167 kw
- Access to electricity: 49%

DEVELOPMENT STATUS OF BANGLADESH (CONT...)

- Infant Mortality: **52** per 1000
- Proportion of rural population with access to safe drinking water: **79%**
- Student Completing Primary Education: **67%***
- Ratio of girls to boys in tertiary education: **32%**
- Ratio of literate females to males (% of ages 20 -24): **85%**

TARGETS OF SFYP

Targets	Current Situation	Vision 2021	SFYP 2015	MDGs
A. Production, Income Generation and Poverty				
● GDP Growth (%)	6.7	10	8.0	
● Gross Domestic Investment	26.4	40	32	
● Industrial Sector Employment	17	30	25	
● Contribution of Productivity to Economic Growth (%)	8	20	10	
● Headcount Poverty (%)	31.5	14	29	29
B. Human Resource Development (Education, Health and Population)				
● Net Enrolment at Primary Level (%)	91		100	100
● Enrollment Rate in 12 th Class (%)		100	60	
● Percentage of cohort reaching grade 5 (%)	55		100	100
● Total Fertility Rate Reduction	2.7	1.8	2.0	
● Increase Contraceptive Prevalence Rate (%)	60	80	74	
● Under 5 mortality rate (per 1000)	62		50	50
● Immunization, measles (percent of children under 12 months)	87		100	100
● Maternal mortality ratio (modeled estimate, per 100,000 live births)	290		147	147
● Births attended by skilled health staff (percent of total)	20		50	50

TARGETS OF SFYP

Targets	Current Situation	Vision 2021	SFYP 2015	MDGs
C. Water and Sanitation				
● Proportion of urban population with access to safe drinking water	99.9	100	100	100
● Proportion of rural population with access to safe drinking water	79	90	96.5	96.5
● Proportion of urban population with access to sanitary latrines	88.0	100	100	85.5
● Proportion of rural population with access to sanitary latrines	85.0	90	100	55.5
D. Energy and Infrastructure				
● Electricity Generation (MW)	6727	20,000	15,000	
● Electricity Coverage (%)		100	65	
E. Gender Equality and Women Empowerment				
● Ratio of girls to boys in tertiary education (%)	32		60	100
● Ratio of literate females to males (percent of ages 20 24)	85		100	100

TARGETS OF SFYP

Targets	Current Situation	Vision 2021	SFYP 2015	MDGs
F. Environment Sustainability				
1.Productive Forest Coverage (%) (70 % tree density)	13	20	15	20
G. ICT				
● Research and Development Spending/GDP (%)	0.6	1.4	1	
● Compulsory ICT Education (education level-class)		5	12	
● Tele-centre/Community e-centre with Inter-net facilities at unions (%)		100	50	
● Computer laboratory at the primary government school		20	5	
● Increase tele-density (%)		90	70	
● Expansion of Broad Band Coverage (%)		40	30	

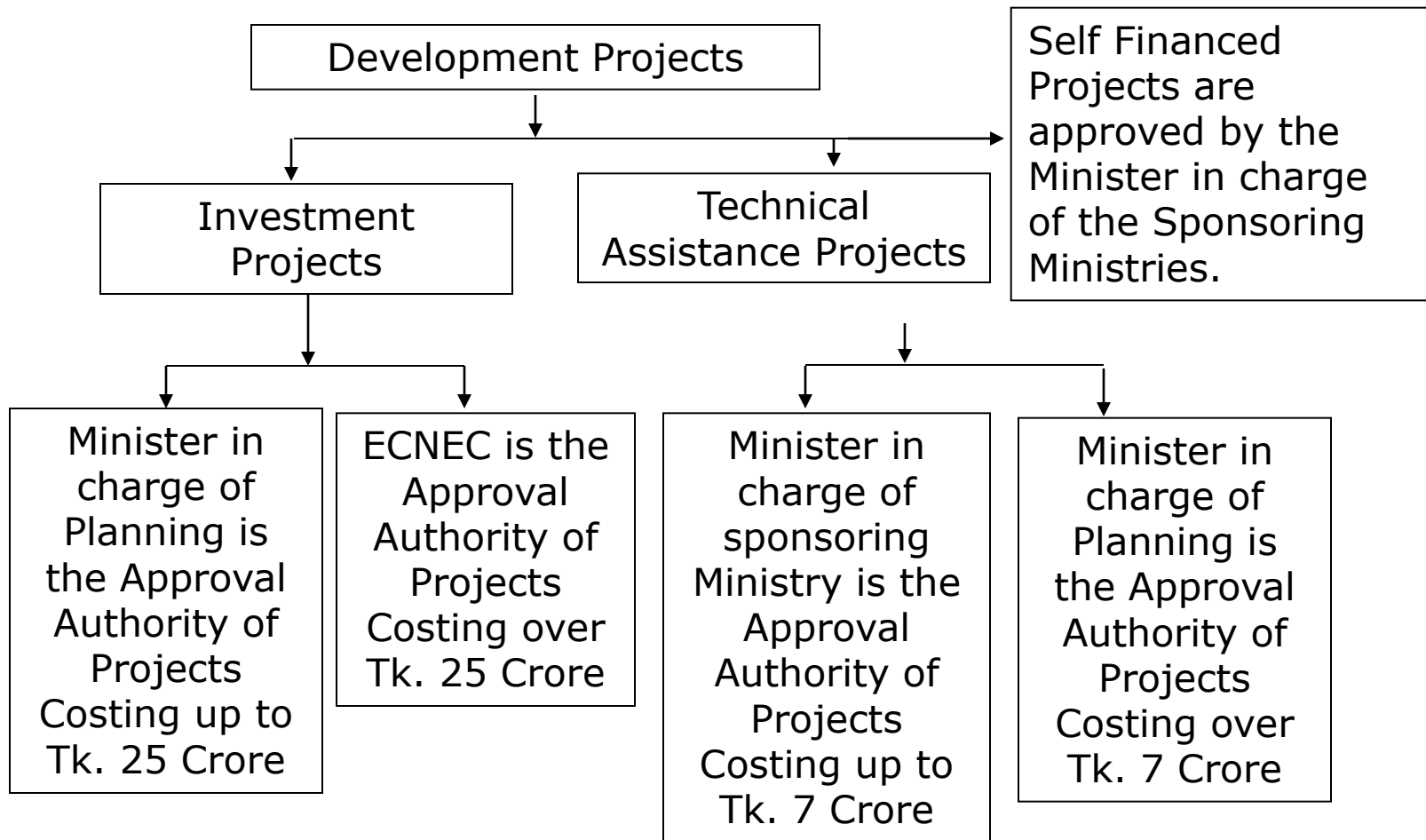
FUNCTIONS OF OTHER DIVISIONS

- a. **Socio-Economic Infrastructure Division**
- b. **Agriculture, Water Resources and Rural Development Division**
- c. **Industries and Energy Division**
- d. **Physical Infrastructure Division**

- Formulation of sectoral plans relating to the ministry / divisions of concern sectors.
- Process and apprise of development projects for approval
- Preparation of sectoral Annual Development programmes in consultation with line ministries
- Formulation of sectoral development and Planning Policies.

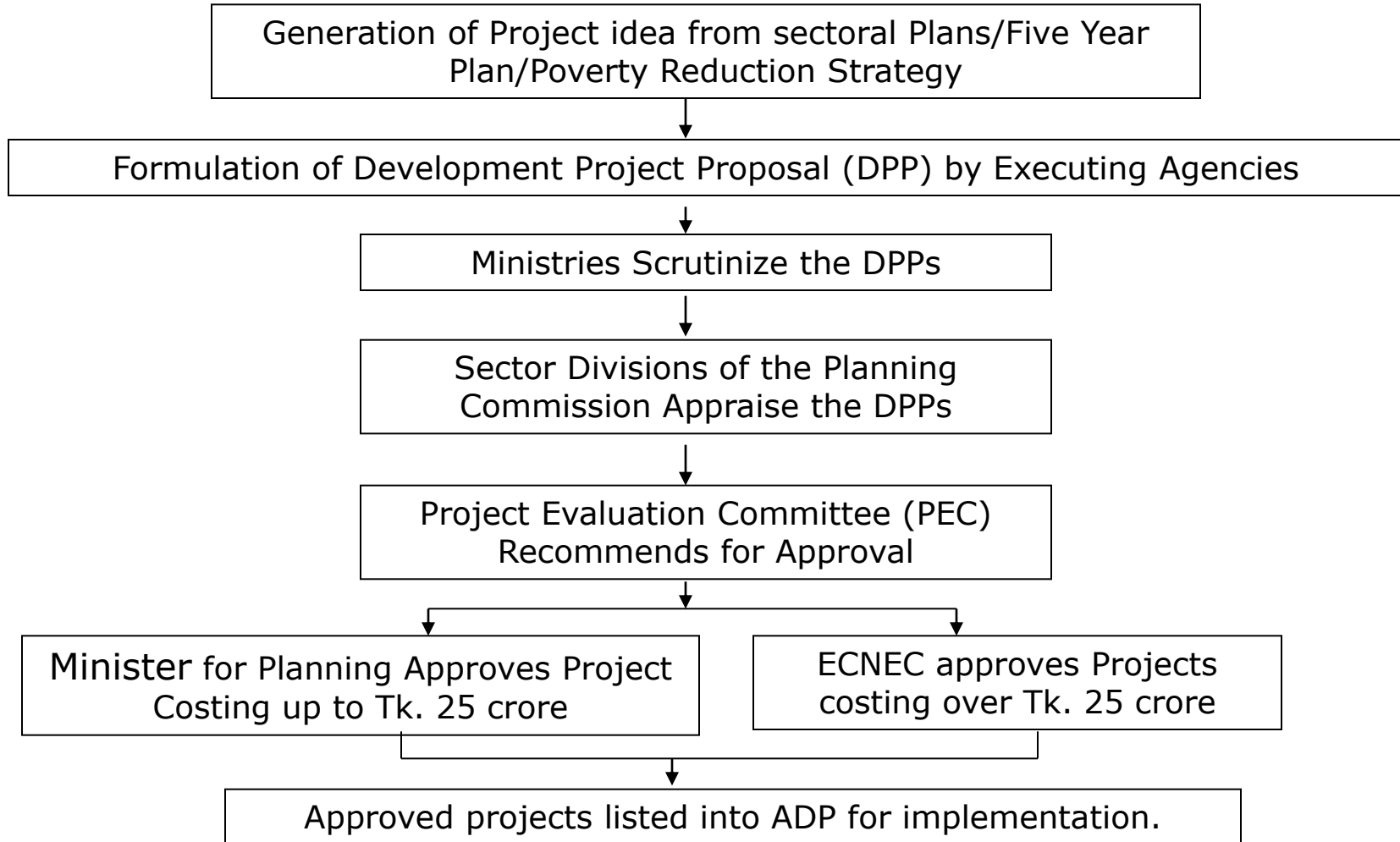
PLANNING PROCESS

Classification of Projects



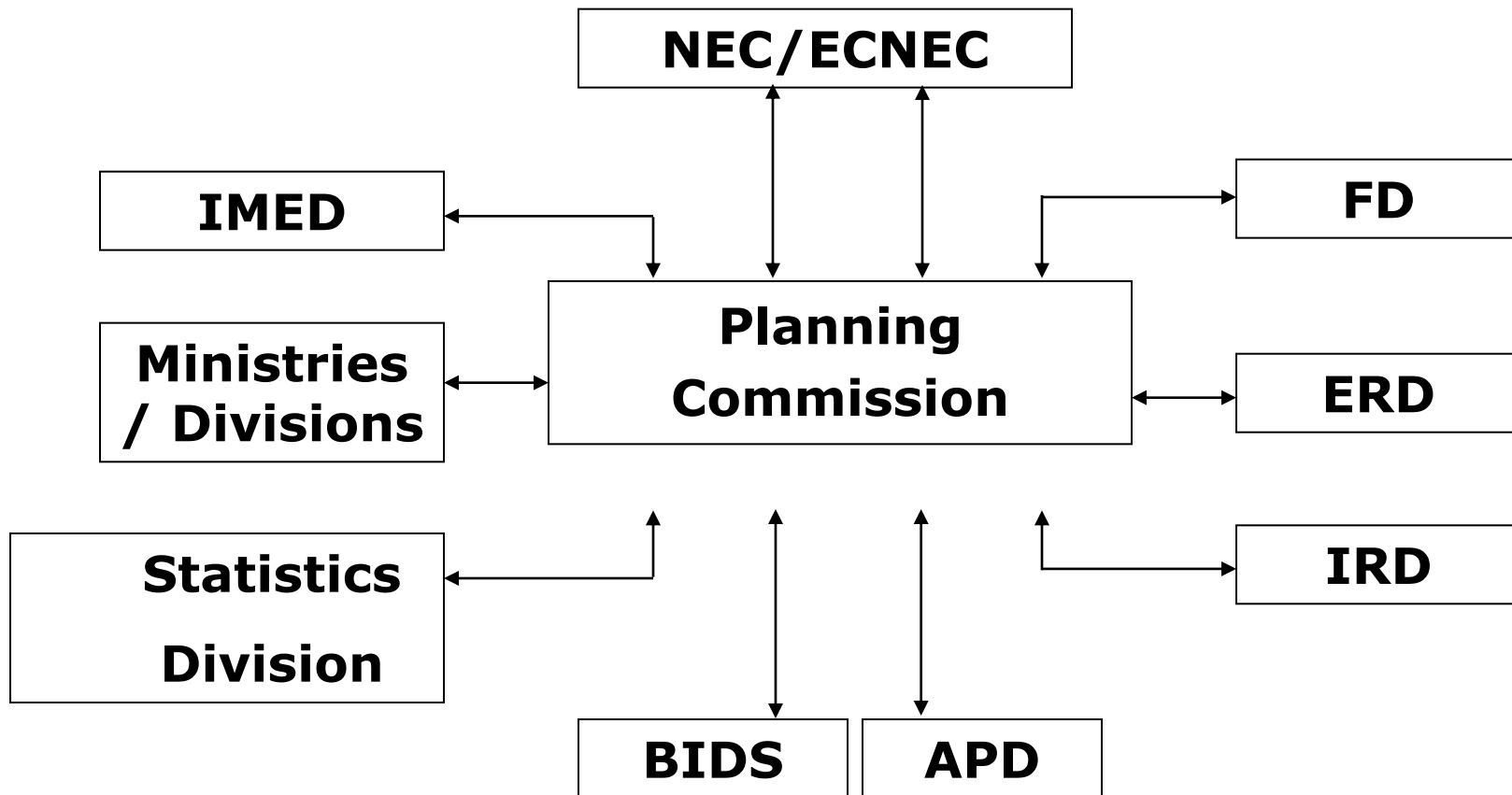
PLANNING PROCESS (CONT...)

A simplified series of steps in Investment Projects
Processing / Approval Process



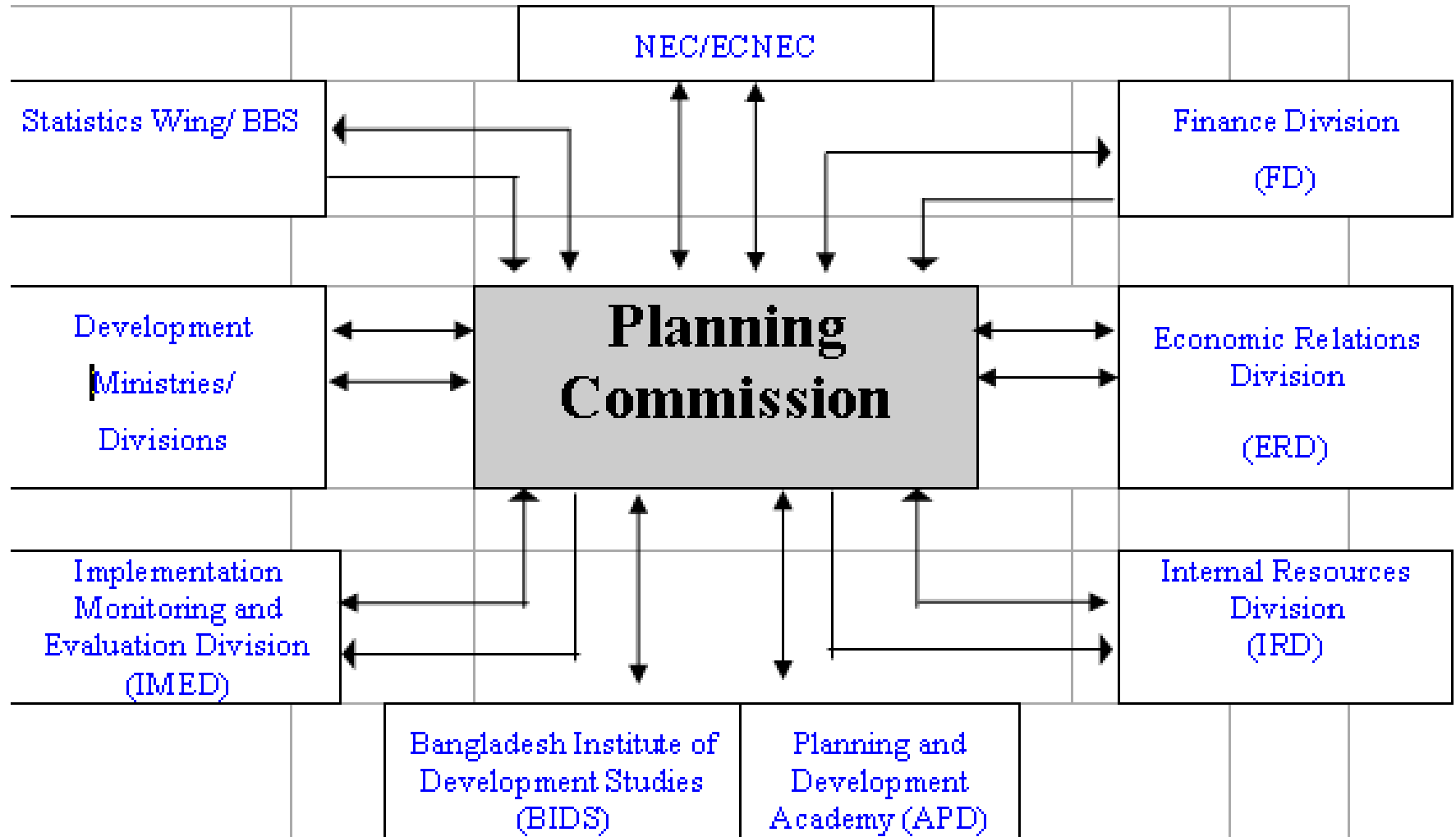
INSTITUTIONAL LINKAGES

Institutional Linkages of Planning Commission with other Ministries/Divisions/Organizations



INSTITUTIONAL LINKAGES

Institutional Linkages of Planning Commission With other Ministries/Divisions/Organizations



Evolution:

- PIB
- Division
- Renamed as IMED
- Placed under Ministry of Planning

1975

1977

1982

1984

**President
Office**

Implementation:-

- Main responsibility - ministries, divisions, executing agencies
- IMED Monitors selected cases
- IMED officials of concern sectors monitors selected projects

○ Monitoring of ongoing projects :-

Field visit

Monthly Progress Report

Quarterly Progress Report

Annual Progress Report

○ Evaluation

Midterm evaluation – Ongoing Projects
(selective cases)

Post facto evaluation

General evaluation

Impact evaluation

DIFFERENT DUTIES OF IMED

- Cost rationalization
- Participating PEC meeting,
- Participating ADP review meeting in ministries
- Comments on time extensions of projects,
- Imparting training for different officials

CPTU (Central Procurement Technical Unit)

- All matters relating to Procurement Proper implementation of PPR (Public Procurement Rules) & PPA (Public Procurement Act)

WHAT WE HAVE COVERED....

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 - Role of Planning Commission
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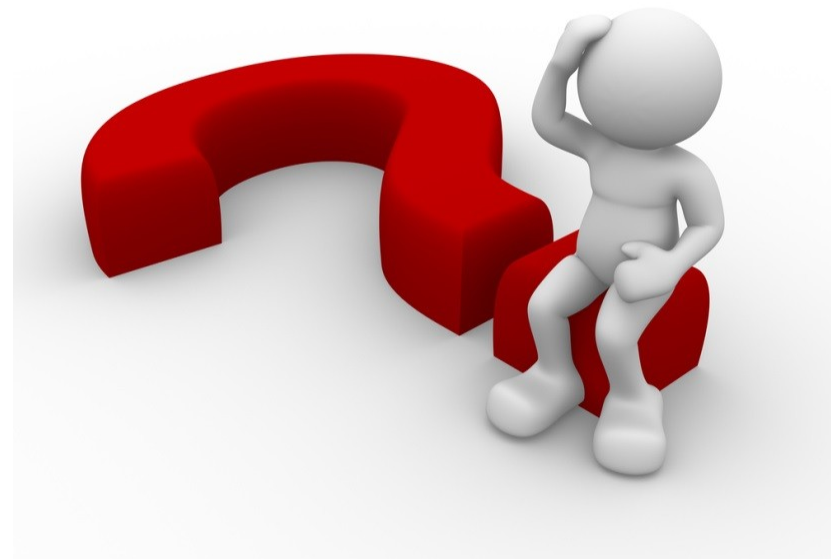
WHAT WE LEARNT

- Understanding of lifecycle of urban development and project planning for urban development plan in Bangladesh.
- Bangladesh planning commission, its structures, functions and the process of project approval

Thanking YOU



Questions?



What Next?

Lecture 10:

Planning Process: Different Stages in the Continuous and Cyclical Process.