

Background

Despite the extra-ordinary achievements in terms of the income growth, human development and vulnerability reduction, poverty, especially the urban one, has remained a major challenge for Bangladesh. Urban poverty, with its distinct features and a stagnant rate of in recent years, remains an active threat for the overall human development of the country. Urban poverty, being distinct from rural poverty in many ways, thus require customized social protection programs contextualized with the local needs. . It is only in recent years that the National Social Security Strategy (NSSS) has aimed to extend the social protection supports for the urban poor by proposing old age pensions, disability benefits, and child benefits to both urban and rural areas in equal measures

Research Objectives

- To identify reasons behind the high rate of exclusion for urban poor in accessing social protection programmes
- Analysis of best international practices of implementing and operating national urban social security programmes.
- Analysis of the needs of the urban-poor and preparation of recommendations for an NSSS urban policy job markets e

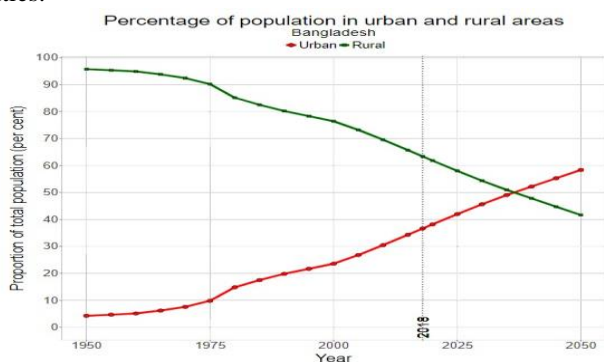
Methodological approaches

- **In-depth literature review:** Both quantitative and qualitative data including journals.
- **Questionnaire survey in Dhaka and Chattogram Cities:** A questionnaire survey has been conducted among 200 urban poor households in Dhaka and Chittagong cities by using structured questionnaires
- **Key Informant Interviews (KIIs):** The study team has conducted 10 KIIs among NSSS related GoB officials and UNDP of
- **Focus Group Discussion (FGDs):** Four (4) FGDs conducted with the beneficiary groups in slums of Dhaka and

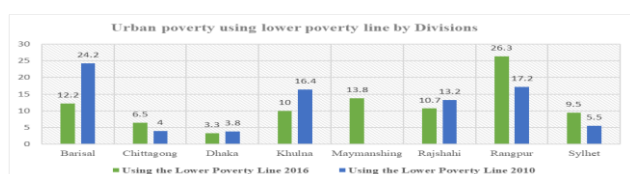
Research Findings

Urban population and poverty in Bangladesh

The share of rural population came down from a whopping 93 percent of total population in early 1970s to 64.4 percent in 2017. People have mostly migrated to cities for economic reasons while natural disasters like river erosion, cyclone, and tidal surges have also displaced people who often migrated to cities.



According to projections by UNDESA, share of urban population will increase further over years. In 2005, Dhaka and Chattogram together held 86 percent of the country's urban population. Furthermore, the two major cities accommodate 90 percent of the country's slum population.



Data shows there are inequalities within the urban in the incidence of urban poverty by administrative divisions in 2010 and 2016. Above fig shows that urban poverty has increased in Rangpur, Sylhet, Chattogram in terms of lower poverty line. Moreover, there has been significant increase of poverty in Rangpur in terms of lower poverty line.

Status of urban poor in Bangladesh

Employment Status of Urban Poor

Urban poor are mostly employed in informal economy such as rickshaw pulling (17 %) hotel worker ,porter etc due to lack of education. According to a report of Center for Urban Studies (CUS), nearly 80 percent of the households have income below the upper poverty line and more than 50 percent of the slum dwellers earn less than half of the poverty line income. The incidence of poverty among woman is another major concern. While the number of working women increased to 18.6 million in 2016 from 16.2 million in 2010, the earning of a woman is approximately 59 percent of what their male counterpart earns.

Assets of Urban poor

According to census of slum 2014, almost 73.9% of slum households rented their residence in Dhaka. The percentage is alarmingly high in Sylhet as 96.3 percent of urban poor reside in rented houses. In terms of non-land assets, the rickshaw pullers who own a rickshaw are also more likely to improve their economic condition. Most households possess electric fan (96%), cell phones (85%), and television (60%). However, 75 percent household living in slums has no savings in any formal institution (BBS, 2014).

Policies and Provisions for Urban Poverty

As data suggests, about one-third of the rural population receive benefits from social security programs while the current rural poverty headcount ratio is 26.4 percent. On the other hand, only 9 percent of urban residents have access to social security programs while the urban poverty incidence stands at 18.9 percent (BBS, 2016). Prior to the NSSS, only 6 per cent beneficiaries of Old Age Allowances, and 1.7 per cent beneficiaries of Widowed and Distressed Women Allowance were from urban areas. However, following the NSSS, GoB has gradually started expanding the coverage of social security programs for the urban poor communities.

Regions	Old Age Allowance		Allowances for the Persons with Disabilities	
	Beneficiaries	% of Total	Beneficiaries	% of Total
Urban	2,68,525	6.71%	91,150	9.11%
Rural	37,31,475	93.29%	908,850	90.89%
Total	40,000,00	100%	10,000,00	100%

Data on the number of beneficiaries for two major SPPs reveal that about 90 percent of the beneficiaries has been selected from rural areas. The urban residents constitute only about 7 percent of the beneficiaries for old age allowance program in 2018-19. Among millions of beneficiaries of the selected programs, lower proportion of urban poor indicate the lack of urban-focused social protection system in Bangladesh.

Analysis of findings from the field study

A questionnaire survey of urban poor households in Dhaka and Chittagong cities, ten KIIs among NSSS related GoB officials and UNDP officials, and four FGDs have been conducted with the urban poor as part of the field study.

Access to social security programmes by the respondents

Along with lack of access to basic social services, urban poor are also excluded from the focus of the social protection system in Bangladesh. Both systematic and unsystematic exclusions can be found in the socio-political settings that holds back urban poor in accessing the social services as well as the social protection programmes. Besides the lower budgetary allocation for urban centered SPPs, lots of local political economy factors play significant role in determining inclusion of urban poor in the existing SPPs.

1. The rural bias in the social protection programmes : It was widely believed that expanding major SPPs to urban areas and covering urban poor living in slums would encourage rural poor to migrate to the cities. With time, however, the belief regarding the expansion of SPPs has changed but the intrinsic rural bias hasn't. The urban poor are still excluded from many of the SPPs which their rural counterparts are receiving.

2. Lack of permanent address and National Identification (NID) Card . According to the Census of Slum Areas and Floating Population 2014, there are about 0.6 million people living in slums who are considered as landless and are unable to register NID card. A significant number of respondents reported that the absence of the NID card and any other central registration system impede the ability of slum dwellers in accessing the social protection programmes

3. Fear of eviction in slums: Due to the lack of permanent ownership and access to land and housing facilities, the slum dwellers are excluded from their access to a wide number of social services as well as SPPs.

4. Extensive role of locally influential people A large number of respondents suggested that, people who are in good terms with the locally influential people get advantage in receiving benefits from SPPs like different sorts of allowances.

5. Corruption in the suppliers' end: Massive demand for assistance against insufficient supply of funds and the lack of legal status of the slum settlements pave the way for the malpractices.

Learnings from International Experience of Social Protection Programmes

Reviewing a number of well-acclaimed SPPs from few countries, several key lessons can be utilized in the context of Bangladesh.

- Most of the successful social protection programmes reviewed in this study are conditional cash transfer (CCT) programmes. Success of the CCT programmes in Philippines, Ghana, and Brazil among other developing countries provide best examples of implementing CCTs for urban poor in a developing country like Bangladesh.
- Strict compliance to the attached conditions in the CCTs can bring positive results in terms of poverty reduction and human capital formation among the beneficiary households. Bangladesh can design CCTs with customized criteria targeting healthcare, nutrition, and education of women and children among urban poor. Monitoring the compliance to the conditions can be done by a Compliance Verification System (CVS) linked with the MIS to verify the compliance of the households for receiving health and education grants as in the case of Philippines. Furthermore, a Grievance Redress System (GRS) can be integrated with the MIS to capture, resolve, and analyze grievances of both the beneficiaries and non-beneficiaries of the program.
- Small social protection programs can be merged into a large one to avoid coordination problem during the implementation of small SPPs. Merging small CCTs into a flagship CCT can be considered in the urban context.
- Adopting an innovative and inclusive urban sector policy in line with the NSSS provisions can be crucial for addressing a wide number of issues that urban poor are currently facing.
- A social insurance system can be designed to enable people to invest in their own social security at a subsidized premium for the risks of unemployment, accidents and physical injuries, severe illness, and deaths of earning member of the poor households

Way Forward and Policy Recommendations

Designing the NSSS urban policy and the Urban Sector Policy will require further research. The areas where further research initiatives required are the following:

- Designing a flagship conditional cash transfer (CCT) program for urban poor by setting the attached conditions for poverty reduction and human capital formation among the beneficiary households.
- Merging small social protection programs into one or more SPPs for urban poor
- Designing the implementation and operation of the national Single Registry System to collect, record, and update data on the extreme poor households across the country.
- Adopting of an inclusive urban sector policy in line with the NSSS provisions
- Designing urban employment schemes and national insurance schemes for urban poor .