

# The Historical Journey of Development Project Management by NGOs in Bangladesh

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## Abstract

The success of NGOs in Bangladesh in last 50 years has now become a challenge for its existence as foreign funding started to go down due to the country's growing economic capability. But still the necessity of NGO operation is clearly not over for Bangladesh. Gender discrimination and income inequality are still high in the country and the wealth is not properly distributed. Typically, Bangladesh is an exceptionally prolific field for the NGOs to work from the very beginning and as a result, NGOs have developed significantly. Presently there are more and greater NGOs work in Bangladesh than in any other nation of proportionate size though NGOs in Bangladesh have not begun from Grass Roots Organizations (GROs) in civil society. Rather, it is NGO workers who set up groups of individuals, which clients then connect to get microcredit and other services. Most Bangladeshi NGOs are completely dependent upon foreign funds but there are exceptions of course.

This paper discusses the historical journey of development project management by NGOs and state-NGO relationship in Bangladesh based on appropriate literature review and analyses the relevant data published by the NGO Affairs Bureau (NGOAB) of Bangladesh.

## Keywords:

History, Bangladesh, NGO, Development Project, Project Management.

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## I. Introduction

The non-governmental organizations or NGOs have played a very important role in development of Bangladesh since its birth in 1971. During the last 50 years, the contribution of NGOs in managing development projects in various sectors including but not limited to social, environmental, health and education in Bangladesh, have geared up the country's graduation from the United Nation's Least Developed Countries (LDC).

Bangladesh has always been the lab of experiment for the NGOs to implement various types of development projects. NGOs have gathered meaningful knowledge and experience for the global industry of project management by operating in challenging and volatile conditions Bangladesh throughout the past 50 years.

In Bangladesh, frequent natural disasters and changes in policies created the challenge as well as opportunities for the NGOs in the past. The relationship between the government and NGOs was never smooth and always under kind of suspicions. So, the historical journey of NGOs in managing development projects in Bangladesh deserves an academic discussion in order to help future researchers.

The Article 71 of the Charter of the United Nations (2020), first formally defined NGO as:

*The Economic and Social Council may make suitable arrangements for consultation with non-governmental organizations which are concerned with matters within its competence. Such arrangements may be made with international organizations and, where appropriate, with national organizations after consultation with the Member of the United Nations concerned.*

On the other hand, the World Bank (1996) declared in their published document that, it usually refers to non-governmental organizations as:

...any group or institution that is independent from government, and that has humanitarian or cooperative, rather than commercial, objectives. Specifically, the Bank focuses on NGOs that work in the areas of development, relief or environmental protection, or that represent poor or vulnerable people.

This researcher has used both recognized definitions in order to identify and or while mentioning the word 'NGO' in this paper.

## II. Development projects management and the birth of NGOs in Bangladesh

The development projects in Bangladesh have been started in various types and forms since the very early stage of the country's birth. In order to manage and coordinate the development projects, a 'Planning Cell' was created even before the country's birth by the Bangladesh Government in exile during the war of independent in 1971. This organization has a back history of previous existence as 'Indian Planning Commission 1950', 'Pakistan Planning Commission, 1953' and in 1956 a 'Provincial Planning Board'. Immediate after the independence, to plan, manage and coordinate the newborn country's endless future development projects, the Planning Commission of Bangladesh was established in January 1972 (Rahman D. , 2020, pp. 3-4).

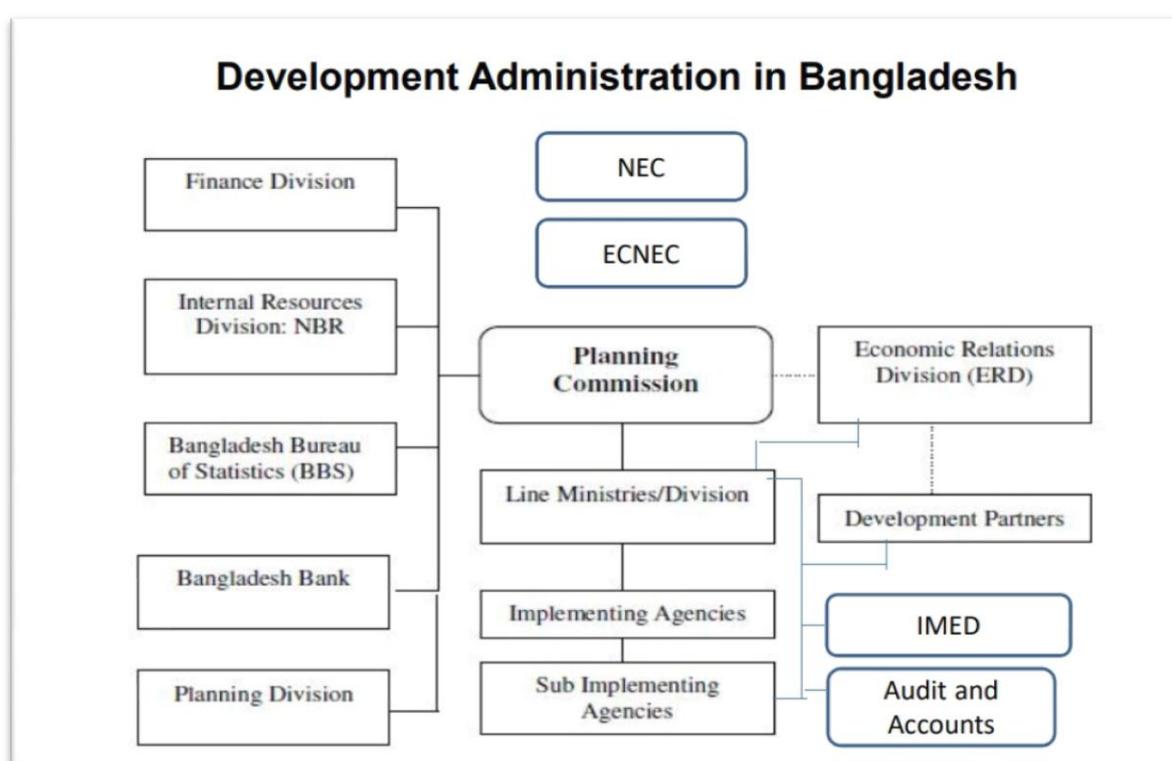


Figure 1: Development Administration in Bangladesh

Source: Adopted from Economic Relations Division (ERD): Government of the People's Republic of Bangladesh (Rahman D. , 2020, p. 8).

The birth of NGOs in Bangladesh was obvious due to tremendous development works started to roll out since 1972, after the independence both by the government organizations and non-governmental organizations. Various international fund providers has joined in the process as Development Partners to help both public and private sectors' development project implementations from the beginning such as UNDP in 1972, JICA in 1973, ADB in 1973, The World Bank in 1972 (UNDP: Bangladesh, 2021; JICA's Operation in Bangladesh, 2016, p. 4; Asian Development Bank Member Fact Sheet: Bangladesh, 2020, p. 1; The World Bank In Bangladesh, 2020). As an early Non-Governmental Organization (NGO), a local brand BRAC has started its operation in 1972 (BRAC Annual Report 2019, 2020).

## III. The Government and the NGOs

Since the very beginning, the development projects were implemented by both the government and non-governmental organizations which are usually called as NGO. In Bangladesh, at the initial stage, the number of NGOs were very low, and it was easy for the government to regulate the sector. But over times,

number of NGOs has grown rapidly as the state alone was incapable to handle the tremendous amount of necessary development works then the NGOs have come into the scenario to fill the void (Ahmad, 2001).

According to Mokbul Morshed Ahmad (2001), a teacher of Department of Geography and Environment at the University of Dhaka, as the number keeps increasing, the lack of coordination between government and the Non-Government Organizations (NGOs) were being occurred and finally it led the government to create necessary rules, laws and institutions to regulate the entire NGO sector.

Historically, since 1860, the state has attempted to regulate NGOs (Ahmad, 2001). But in the independence Bangladesh state the foremost noteworthy steps towards regulating NGOs were taken in the 1980s by the cancelation of the NGO Standing Committee, the formation of the NGO Affairs Bureau (NGOAB) and the recruitment of an Advisor for NGO Affairs with Ministerial status (White, 1999).

The NGOAB begun working effectively from the very first day of March 1990 (Ahmad, 2001; Brochure of NGO Affairs Bureau, 2017). This organization is headed by a Director-General and became the contact point between the State and different foreign and local NGOs accepting foreign funds for the implementation of their projects. From then NGOs in Bangladesh are regulated by the NGOAB instead of the Department of Social Welfare (Ahmad, 2001).

Not only for the regulation, the government of Bangladesh has also set up an institution in aim of supporting NGO activities in the country. Bangladesh NGO Foundation was set up in 2004, with a view to support and help the Non-Governmental Organizations (NGOs). The Foundation was set up through a Resolution of the Government in December 2004 (Bangladesh NGO Foundation, 2021).

The Foundation was set up for financing Non-Governmental Organization (NGOs) and other voluntary organizations such as Community-Based Organizations (CBOs) of Bangladesh. It has the legal power of working within the national territory for providing fundamental social services such as nutrition, , safe drinking water, sanitation support, education, health, environmental protection and any other services required by the ultra-poor, poor and destitute, women and children and the ethnic minorities(Bangladesh NGO Foundation, 2021).

#### **IV. The NGOs and its operation in Bangladesh**

Universally, the Non-Governmental Organization or NGO is a legitimate body that is not actually a direct part of the government, free of government power, and not a direct political competitor. By and large, NGOs are set up by a group of individuals who aim to form a positive distinction in society. They raise cash from different donors around the world and attempt to fulfill their desires (Rahman T. , 2020).

Typically, Bangladesh is an exceptionally prolific field for the NGOs to work from the very beginning and as a result, NGOs have developed significantly. Presently there are more and greater NGOs work in Bangladesh than in any other nation of proportionate size though NGOs in Bangladesh have not begun from Grass Roots Organizations (GROs) in civil society. Rather, it is NGO workers who set up groups of individuals, which clients then connect to get microcredit and other services. Most Bangladeshi NGOs are completely dependent upon foreign funds (Ahmad, 2001), but there are examples like BRAC, who has the capability of funding its own projects at least in some extent from income generated by their other commercial enterprises. More NGOs are now trying to follow this model as overseas funding for NGOs in Bangladesh is reducing due to the country's upgradation stage from LDC to Developing country(Prothom Alo, 2017).Some locally registered NGOs are also able to get financial support for their qualified projects from the state owned 'Bangladesh NGO Foundation'(2021).

Regular fund donors for NGOs in Bangladesh are including but not limited to the DFID (Department for International Development), USAID (United States Agency for International Development), NORAD (Norwegian Agency for International Development), CIDA (Canadian Agency for International Development), DANIDA (Danish International Development Agency), SIDA (Swedish Agency for International Development) along with other donors include Oxfam, CUSO (Canadian University Services Organization), ActionAid, Bill & Melinda Gates Foundation etc.



Figure 2: Some of the major fund donors for NGOs in Bangladesh

Source: Adopted from Annual Report of BRAC 2019 (BRAC Annual Report 2019, 2020, p. 15).

NGOs have basically worked to benefit the requirements of the landless, ordinarily helped by foreign donor funding as a counterpoint to the state's endeavors (Lewis, 1993). According to statistics of NGO Affairs Bureau (NGOAB), as of December 2020, the total number of NGOs in Bangladesh is 2527 including local and foreign NGOs (List of All NGOs in NGO Affairs Bureau, 2021), where as in 1998, the total number was only 1007 (Ahmad, 2001).

There are controversies reported by local media (Prothom Alo, 2017) about the exact number of NGOs in Bangladesh. Experts and observers assume the number in between 50K -150K, though most of them are inactive and miniscule in size (Prothom Alo, 2017).

Though there are controversies but the NGO Affairs Bureau (NGOAB) of Bangladesh keeps a record about the NGOs those can receive foreign funds. The latest data published by the NGO Affairs Bureau (NGOAB) of Bangladesh in 2021 has revealed that, by the end of December 2020, the active number of total local NGO is 2269 and foreign NGO is 258, where at the same time license has been revoked for 681 NGOs for various reasons including failing to receive enough funds (List of Local NGOs, 2021; List Foreign NGOs, 2021; List of Cancelled NGOs, 2021; Prothom Alo, 2021) .

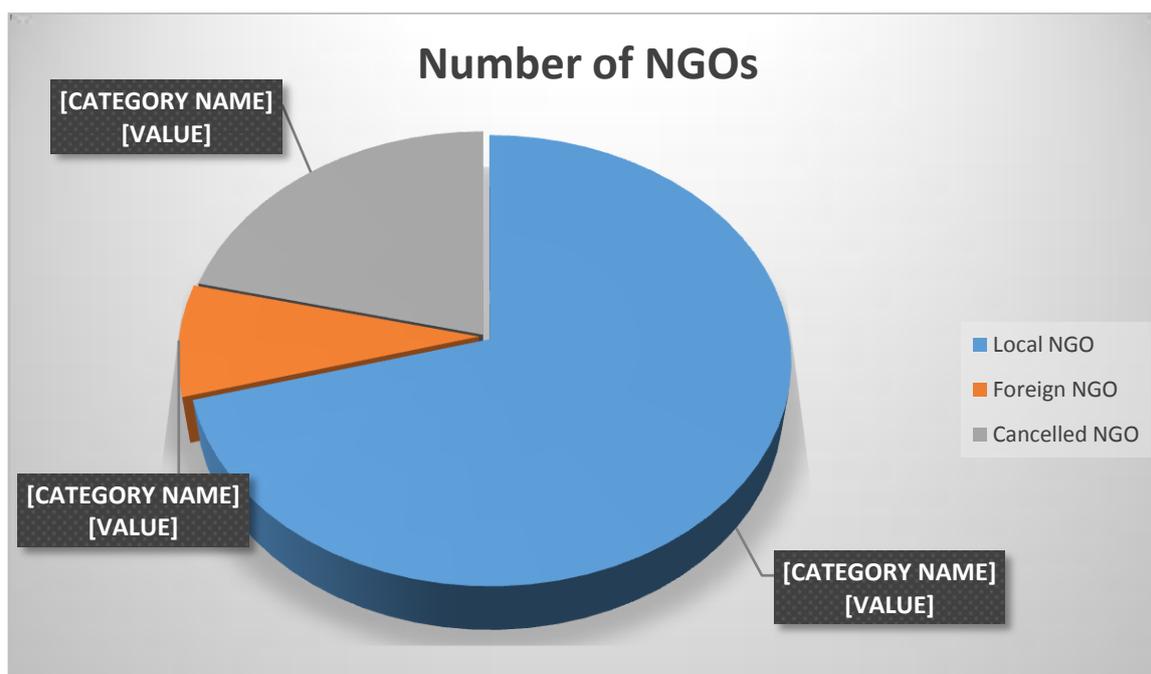


Figure 3: State of NGOs in Bangladesh as of December 2020

Source: Illustration by the author using data published on the website of NGO Affairs Bureau (NGOAB) of Bangladesh(2020).

State-NGO relationships in Bangladesh have gone through stages of lack of concern and inner conflict (White, 1999; Sen, 1999). Whenever the government of Bangladesh attempted to control the activities of NGOs, the fund givers put pressure on the government. The state at that point reacted by imposing more paperwork on the NGOs, hence increasing their transaction costs (Ahmad, 2001).

On the other hand, steady growth in GDP and significant improvement in life expectancy, literacy rates as well as per capita food production also creates challenges for existence of NGO operation in large scale in the country. Bangladesh has reached the lower middle-income nation status in 2015. In 2018, Bangladesh satisfied all three qualification criteria for graduation from the UN's Least Developed Countries (LDC) list for the first time and is on track for graduation in 2026 (The World Bank In Bangladesh, 2020; The Daily Star, 2021). Some observers believe the reduction of the foreign funding in local NGOs also fueled by a law made to regulate foreign funding in 2016 (Prothom Alo, 2017). Due to this circumstances, tough and challenging situations are being faced by the NGOs in Bangladesh, as the fund donors are now reluctant to provide funds for them and start considering the country as self-sufficient (Prothom Alo, 2021).

## V. Development Project management by NGOs in Bangladesh

Development projects are usually the initiatives in order to help improving lives of people live in any community. These initiatives can be taken by both the government and non-governmental organizations which are usually refer as 'development organizations'.

Development organizations plan and execute development projects and work to reinforce the capabilities of the local organizations and promote community self-reliance through sustainable techniques (Siles, 2021) and NGOs operating in Bangladesh is no exception of it. The method incorporates planning, organizing, coordinating, and controlling the resources to achieve particular objectives(IGI Global, 2021).

Like everywhere else in the world, the NGOs in Bangladesh usually vary in size and orientation, most share the common objectives of helping individuals and benefiting society. From the very beginning of NGO activities in Bangladesh, financing for projects comes through private and public donations, government help and a variety of other sources such as the institutions just like the World Bank, ADB, UNDP, JICA etc. Development activities of NGOs in Bangladesh ranging from community organization, welfare support, health, education, small-financial credits, protection of the environment and many more. The NGOs in Bangladesh practice implementing development projects consist of a single, transformative project to address a particular issue or a series of projects focused on at addressing several issues (Siles, 2021).

During journey in Bangladesh, the NGOs were confronting expanding demands to do more with less. Donors were always requiring superior controls and more proficient administrative competencies in the staff responsible for overseeing projects (PM4DEV, 2015).

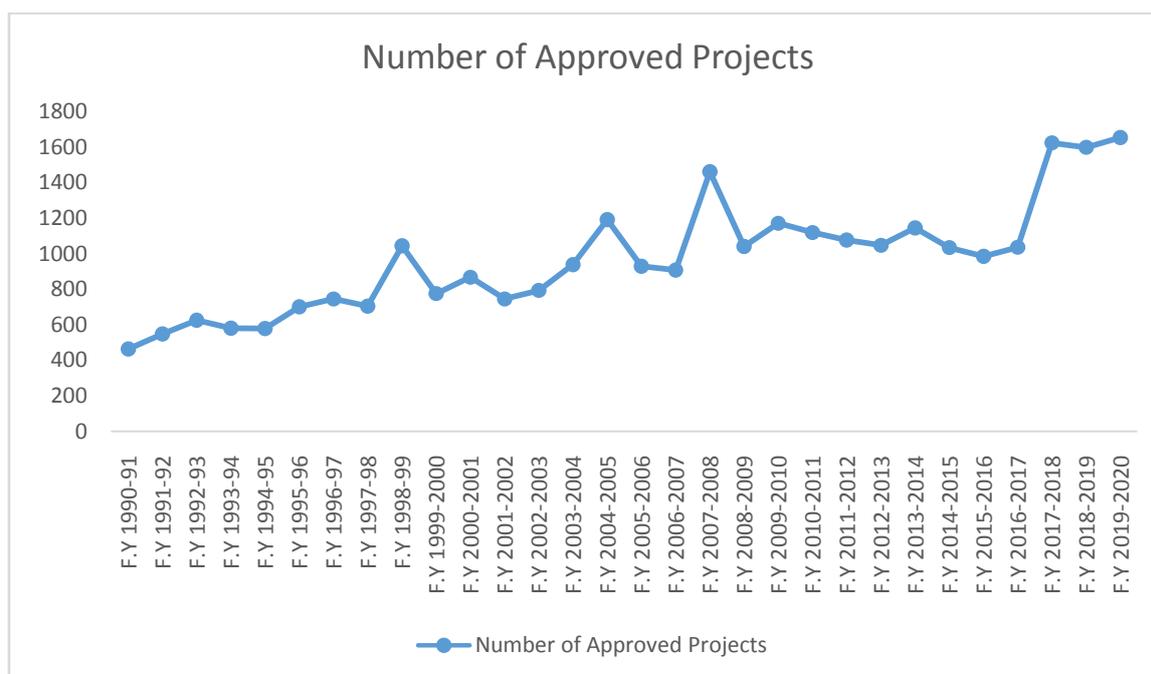


Figure 4: Number of 'Approved Projects' of NGOs (Period: F.Y 1990-1991 to FY 2019-2020)

Source: Illustration by the author using data published on the website of NGO Affairs Bureau (NGOAB) of Bangladesh (2020).

When the fund donors and project implementers come from different cultural background, in the context of Bangladesh it means, they are from different nationalities. And when a project involves people from different country, then it usually refers to an International Development Project or ID Project.

These international development (ID) projects are always distinctive from other sorts of projects for a number of reasons and the approach to execution must also be distinctive. By definition, the ID projects include a number of diverse characters including donor organizations (often more than one), government organizations at several levels, specialists, contractors, trainers, evaluators, analysts, and local beneficiaries counting local organizations (Youker, 2003).

International development (ID) projects usually have certain criteria such as by definition, all ID projects are in developing nations like Bangladesh an externally financed, at least partially. The management of ID projects requires dealing with the complete Project Life Cycle from Identification to Operations and Ex-post Evaluation. The financing organization usually leads the project often in a way that is in line with its own objectives. Usually, in ID projects, the role of project sponsor is often vague. Often it can show up that the genuine sponsor is the external organization rather than a local or domestic party (Youker, 2003). The NGOs operating in Bangladesh have always been engaged in managing ID Projects from the very beginning. So huge amount of foreign fund has poured in the Bangladesh economy through the NGOs management of ID projects. The bellow figure shows the actual amount of released funds by foreign donors in the last 30 years.

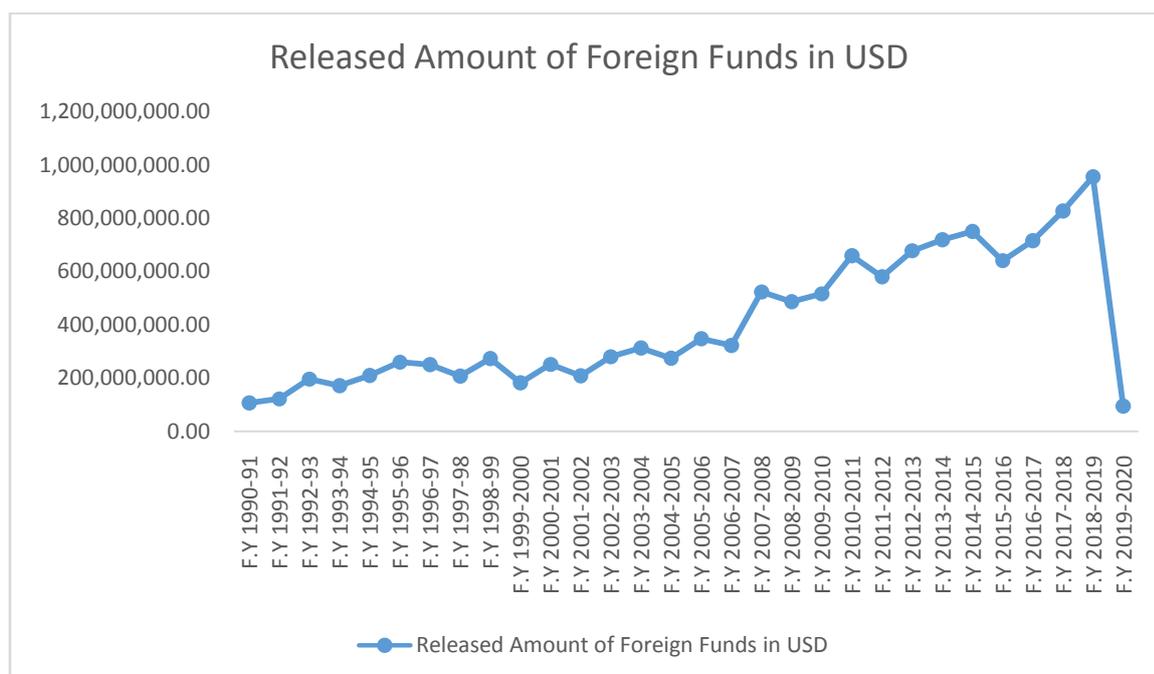


Figure 5: Amount of 'Released Funds' to NGOs (Period: F.Y 1990-1991 to FY 2019-2020)

Source: Illustration by the author using data published on the website of NGO Affairs Bureau (NGOAB) of Bangladesh (2020).

In the context of Bangladesh, the allocation of funds from overseas agencies to NGOs in Bangladesh had been increasing over the years (Ahmad, 2001) and so as the number of approved projects. According to the statistics published by the NGO Affairs Bureau (NGOAB) of Bangladesh, international donors provide commitment to release more than USD 150 million for a total number of 464 approved projects in 1990-91 and within 30 years, the commitment of fund increased to more than USD 910 million for 1655 approved projects in the financial year of 2019-2020 (Statistics of NGO Affairs Bureau, 2020). But as we can see in the graph above, the actual amount of released fund was also increasing almost steadily till 2019 and after that, there is a sharp decline in 2020.

## VI. Conclusion

It can be assumed that trend of reducing amount of releasing foreign funds to NGOs in Bangladesh will be continuing. There are several reasons behind that, though COVID and the process of graduation from the LDC are the main two. Other reasons include increased number of conflicts around the world causing many people shelter less, attention shifting of donors to other countries etc. Considering all these, it can be said that the NGOs of Bangladesh have run past its golden period.

But still the necessity of NGO operation is clearly not over for Bangladesh. The gender discrimination and income inequality are still high in the country and the wealth is not properly distributed (Byron & Rahman, 2021). According to a report published by the World Inequality Lab in Paris, half of the entire population of Bangladesh is still suffering with very low income and least amount of personal wealth possession (Chancel, Piketty, Saez, & Zucman, 2021).

Considering all these aspects, Bangladesh as a developing state, is now required to produce a roadmap aiming to address the existing barriers in state-NGO relationship and open a new avenue to work together in order to mitigate new types of problem with help of NGO.

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