HOUSING FOR ALL IN BANGLADESH

Building an Inclusive, Affordable and Climate-Resilient Housing System

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ABSTRACT

Bangladesh's housing challenge extends beyond a shortage of housing units. Rapid urbanization, rising land costs, limited access to appropriate finance, insecure tenure, inadequate infrastructure, poor housing quality and mounting climate risk are preventing many households from accessing adequate housing. This article proposes a Housing for All approach that shifts the policy focus from producing more houses to creating fair, realistic and sustainable pathways to adequate housing suited to each household's income, needs, location, tenure and vulnerability. It sets out eight interlocking policy pillars, a household finance ladder, and priority actions for 2026–2030 to strengthen housing markets, expand appropriate finance, improve land and services, scale climate-resilient and incremental solutions, strengthen local supply chains, and improve evidence and accountability. The central argument is that Housing for All requires an integrated housing ecosystem in which government enables and regulates markets, invests where markets cannot deliver, protects vulnerable households, and mobilizes household and private investment.

Keywords: *housing policy; affordable housing; climate resilience; land and tenure; Bangladesh*

1. INTRODUCTION: FROM DEFICIT TO ADEQUACY

Adequate housing underpins health, dignity, education, livelihoods, security, social inclusion and resilience, and housing is itself an economic sector that generates employment and demand for materials and services. Bangladesh is urbanizing rapidly, household structures are changing, land is increasingly scarce in major cities, and climate risk is reshaping where people can safely live.

According to the 2022 Population and Housing Census, Bangladesh's adjusted population was 169.83 million, of whom 53.76 million (31.66%) lived in urban areas and 116.07 million (68.34%) in rural areas, across roughly 40.99 million households[1]. These are the appropriate national baseline figures for housing planning.

Housing-deficit figures, by contrast, are estimates rather than census facts. The Asian Development Bank's current affordable-housing project documentation estimates a present deficit of about 6 million units, potentially rising to 10.5 million by 2030; roughly 70% of demand is estimated to be for affordable housing, against annual formal production of only about 31,500 units[2]. These figures should be read as planning estimates drawn from a housing-market assessment, not as census counts, and should be labelled as such wherever cited in policy documents.

The central policy shift proposed here is to move the national question from "how many houses can we build?" to "how can each household move toward adequate housing?" A newly built unit can fail as a housing solution if it is unaffordable to maintain, lacks tenure security, is disconnected from livelihoods

[1]Bangladesh Bureau of Statistics (BBS), *Population and Housing Census 2022, National Report* (Dhaka: BBS, Statistics and Informatics Division, Ministry of Planning, 2023): adjusted population 169.83 million (urban 53.76 million, 31.66%; rural 116.07 million, 68.34%); approximately 40.99 million households; 1,736,302 persons enumerated in slum areas.

[2]Asian Development Bank, *Bangladesh: Inclusive Affordable Housing Finance Project* — project documentation (Manila: ADB, 2026): estimated current housing deficit of approximately 6 million units, projected to reach 10.5 million by 2030; approximately 70% of demand for affordable housing; annual formal production of approximately 31,500 units. Figures are planning/market-assessment estimates, not census counts.

and services, or remains exposed to avoidable hazards. Housing for All should mean that every household has a fair, realistic and sustainable pathway to adequate housing appropriate to its income, needs, location, tenure preference and vulnerability — not an identical house for every family, and not universal homeownership.

Adequate housing, in this framing, combines security of tenure, affordability, safe and healthy conditions, adequate space, water, sanitation, drainage and energy access, accessibility and safety, access to jobs and services, and resilience to local hazards. This is consistent with Bangladesh's National Housing Policy 2016[3], which emphasizes suitable housing for all, sustainable settlements, basic services, equitable access and efficient land use.

Multiple pathways can deliver this outcome: new construction where necessary; incremental construction, repair and home improvement; climate-resilient retrofit; affordable rental housing; serviced land and planned development; in-situ upgrading where risks can be reduced; and a graduated mix of microfinance, incremental loans, appropriate mortgages, targeted grants and social or assisted housing for households that cannot access market finance.

Households are not equally constrained. Low- and lower-middle-income households with informal or irregular incomes, urban migrants, households displaced by floods, erosion or cyclones, residents of informal and poorly serviced settlements, landless and homeless households, and women, persons with disabilities and older people face compounding barriers to land, finance, safety and mobility. System-level constraints reinforce these disadvantages: high, location-sensitive land costs; finance products poorly suited to irregular incomes and incremental building; a shortage of affordable rental and other tenure options; overcrowding and weak construction quality; deficits in water, sanitation, drainage, roads and transport; exposure to flooding, waterlogging, cyclones, erosion and heat; and fragmented data and limited local capacity for integrated settlement planning.

2. BUILDING A HOUSING ECOSYSTEM

No single institution can resolve the housing challenge alone. National and local governments must provide policy, planning, standards, land administration, infrastructure, serviced land, targeted support and regulation. Financial institutions must supply housing microfinance, home-improvement and incremental loans, mortgages, guarantees and consumer protection. The private sector and builders must expand affordable supply, quality materials, resilient construction and rental housing. Communities must set priorities, identify risks, co-design solutions and sustain maintenance and accountability. Civil society, academia and development partners must generate evidence, build capacity and support systems change. Housing for All requires these actors to work in complementary, clearly defined roles rather than in isolation.

3. MAKING HOUSING MARKETS WORK

A market-based approach does not mean leaving poor households to the market; it means removing avoidable barriers so households, businesses and finance providers can participate more effectively, while public resources address genuine market failures and households that markets cannot reach. Three connected markets must function together: *demand*, where products and finance must match income,

[3]Government of Bangladesh, Ministry of Housing and Public Works, *National Housing Policy 2016* (Dhaka, 2016).

savings, repayment capacity and tenure needs; *supply*, where developers, builders, artisans and suppliers need land, finance, skills, technology and predictable regulation; and the *enabling environment*, where planning, land administration, infrastructure, building standards, financial regulation and consumer protection must support affordable supply. ADB's current project documentation identifies constrained private-sector involvement and financing as part of the affordable-housing challenge[4], reinforcing the case for a stronger enabling environment rather than reliance on public construction alone.

A Household Finance Ladder

Finance instruments should match household capacity, from targeted grants for the most vulnerable through to conventional mortgages for middle-income households, so that public support leverages rather than displaces private and household investment:

Income segment	Primary finance / support instrument
Most vulnerable	Targeted grants, social/assisted housing and public support
Very low income	Savings, housing microfinance and technical assistance
Low income	Incremental construction, repair and improvement loans, potentially guarantee-backed
Lower-middle income	Affordable mortgages, guarantees and blended finance
Middle income	Conventional housing finance and market-based products

The objective is not to subsidize every household equally, but to leverage household and private investment, price risk appropriately, and ensure the poorest are not excluded.

4. LAND AND TENURE: THE FOUNDATION

Affordable housing is impossible without addressing land. In major urban areas, land costs can place formal housing beyond the reach of low-income households, pushing families toward peripheral or hazardous locations. The National Housing Policy 2016 identifies land management, planning, financing, infrastructure and housing for distressed and vulnerable groups as core elements of the national housing agenda[5]. Priorities include improving land information, registration and administration; using suitable public land transparently for affordable and serviced development; piloting serviced land, land pooling and land readjustment where feasible; promoting compact, connected, mixed-use development; facilitating land access for affordable housing through clear rules; recognizing a continuum of tenure spanning ownership, leases, occupancy arrangements and collective forms; and preferring settlement upgrading over displacement wherever risk can be safely reduced.

5. STRENGTHENING THE AFFORDABLE HOUSING SUPPLY CHAIN

Affordable housing depends on more than finance and land: households need reliable construction materials, competent builders and practical technical advice. Priorities include training and certifying local builders and artisans in safe, climate-resilient construction aligned with the Bangladesh National Building

[4]Asian Development Bank, *Bangladesh: Inclusive Affordable Housing Finance Project* (Manila: ADB, 2026). See note 2.

[5]Government of Bangladesh, *National Housing Policy 2016* (Dhaka, 2016). See note 3.

Code 2020[6]; promoting simple, affordable, context-specific designs; improving quality assurance and technical assistance for incremental construction; supporting small and medium enterprises producing resilient, energy-efficient and affordable materials; and improving housing SMEs' access to finance, procurement and formal market networks.

6. CLIMATE-RESILIENT HOUSING FOR ALL

Climate resilience should be integrated into mainstream housing policy and finance rather than treated as an emergency or grant-funded add-on. Evidence on Bangladesh's climate-development challenges identifies affordable housing, resilient infrastructure, water and waste management, and support for climate migrants as priority urban issues[7]. Practical measures include risk-informed site selection and settlement planning; flood-resilient foundations and appropriate plinth levels; cyclone-resistant construction and safer structural detailing; passive cooling, ventilation and heat-responsive design; resilient water, sanitation and drainage systems; affordable retrofit and resilience finance for existing homes; and locally appropriate resilient materials, skills and maintenance systems. Every intervention should be tested for safety, affordability, maintainability and local hazard suitability, so that resilience does not price low-income households out of adequate housing.

7. INFORMAL SETTLEMENTS: UPGRADE, INTEGRATE, INVEST

The 2022 Census recorded 1,736,302 people living in enumerated slum areas[8]. This figure should not be read as the total population living in all forms of informal housing, since definitions and enumeration coverage differ across surveys. Where risk can reasonably be reduced, in-situ upgrading should be prioritized over displacement, since it can improve housing quality, infrastructure, services and tenure security while preserving livelihoods and social networks. Priorities include improving housing and basic infrastructure; strengthening occupancy or tenure security where feasible; improving water, sanitation, drainage and waste management; improving pedestrian access, roads and connectivity to municipal services; strengthening disaster preparedness and community facilities; and linking housing improvements to livelihoods, finance and technical assistance. Where relocation is genuinely unavoidable, replacement housing should be safe, affordable, appropriately located, and connected to livelihoods, transport and services, with meaningful resident participation in the transition.

8. RENTAL HOUSING AND SOCIAL INCLUSION

Homeownership should not be the sole measure of housing success. For migrants, young workers, informal workers and climate-affected households, safe and affordable rental housing is often the most realistic pathway. Policy should encourage affordable rental supply near employment and transport, develop proportionate and predictable rental arrangements that protect both tenants and responsible landlords, support small-scale and incremental rental investment, and formally recognize rental, lease and other tenure options within national housing policy.

Housing policy must also address unequal access to land, finance, safety, mobility and decision-making, designing for different needs from the outset. This means improving women's access to housing finance

[6]Housing and Building Research Institute / Government of Bangladesh, *Bangladesh National Building Code (BNBC) 2020* (Dhaka, 2020).

[7]World Bank, *Bangladesh Country Climate and Development Report* (Washington, DC: World Bank Group, 2022).

[8]BBS, *Population and Housing Census 2022* (Dhaka, 2023). See note 1.

and secure tenure; promoting accessible homes, streets, WASH facilities and community spaces; improving lighting and safety around housing and public facilities; including women, persons with disabilities, older people and marginalized groups in planning and monitoring; and measuring actual access, control over housing assets, safety and decision-making — not participation alone.

9. EIGHT PILLARS FOR HOUSING FOR ALL IN BANGLADESH

The priorities set out above converge into eight interlocking policy pillars, summarized below with their core objective and priority actions:

Pillar	Policy objective	Priority actions
1. Adequacy	Safe, healthy, dignified housing	Outcome standards; repair/rehabilitation; WASH; technical assistance
2. Affordability & Finance	Housing within household capacity	Finance ladder; microfinance; incremental loans; mortgages; guarantees; targeted subsidies
3. Land & Tenure	Appropriate land and greater security	Public/serviced land; land management; pooling/readjustment; tenure continuum
4. Housing Supply	More affordable, quality options	Builders, artisans, SMEs, materials, skills, quality assurance
5. Climate Resilience	Lower housing and settlement risk	Risk screening; resilient design; BNBC-aligned construction; WASH/drainage; retrofit finance
6. Inclusive Settlements & Rental	Multiple pathways for existing and mobile populations	In-situ upgrading; affordable rental; incremental housing; service connectivity
7. Inclusion & Participation	No one left behind	Gender-responsive policy; disability inclusion; older persons; community participation
8. Governance, Partnerships & Data	An accountable housing ecosystem	Clear mandates; shared data; public reporting; local capacity; coordination

10. THE ROLE OF GOVERNMENT: ENABLE, REGULATE, INVEST, PROTECT

Government's role should combine four functions: to enable, by creating policies, institutions and regulations that allow housing markets to serve more households; to regulate, by protecting safety, quality, consumers and resilience standards; to invest, by providing infrastructure, serviced land, upgrading and assisted housing where private investment is insufficient; and to protect, by targeting support to households that cannot reasonably access market-based solutions.

> ***Practical principle: use markets where markets work; strengthen markets where they fail; use public resources where markets cannot adequately reach people.***

11. PRIORITY ACTIONS, 2026–2030

- Adopt a National Affordable Housing Strategy segmented by income, housing condition, location, tenure, vulnerability and climate risk.
- Establish a National Housing for All Partnership Platform with clear responsibilities and annual public reporting.
- Develop an inclusive housing-finance facility combining guarantees, targeted subsidies, wholesale finance, consumer protection and technical assistance.
- Scale incremental housing, home-repair and resilient-retrofit packages through qualified local builders.
- Pilot serviced land and land pooling in locations connected to employment and essential services.
- Expand safe in-situ settlement upgrading and affordable-rental pilots.
- Integrate hazard screening and resilience requirements into housing finance, land development and public investment.
- Strengthen construction SMEs through certification, training, procurement access and finance.
- Establish a National Housing Observatory and publish an annual housing dashboard.
- Require innovation pilots to define evaluation, cost, scale and institutional-adoption criteria from the outset.

12. MEASURING SUCCESS AND THE NATIONAL HOUSING OBSERVATORY

Housing for All should not be judged only by houses constructed, loans issued or funds spent. Monitoring should track whether households are moving into safer, more affordable, better-serviced and more resilient housing, and whether solutions can be sustained and scaled. Relevant measures include access, affordability, appropriate finance, quality and resilience, settlement outcomes, inclusion, market development, and institutional performance such as approval time, delivery cost and complaint resolution.

Bangladesh already has a strong statistical foundation through the Bangladesh Bureau of Statistics. The next step is to connect census, household, land, finance, construction, hazard and programme data into a practical housing intelligence system: the BBS Population and Housing Census[9] for population, households, dwelling characteristics, tenure and services; the BBS Household Income and Expenditure Survey and targeted housing-cost surveys[10] for affordability; the National Housing Authority, Ministry of Housing and Public Works, RAJUK, development authorities and local governments for land, approvals and serviced-plot supply; Bangladesh Bank, PKSF, banks, non-bank financial institutions and microfinance institutions for housing-finance data; climate and disaster institutions and spatial hazard maps for exposure and resilience; and programme monitoring and independent evaluations for adequacy, tenure, WASH, safety and gender outcomes. A National Housing Observatory, publishing an annual dashboard, would convert this fragmented evidence base into a shared, accountable record of national progress.

[9]BBS, *Population and Housing Census 2022* (Dhaka, 2023). See note 1.

[10]Bangladesh Bureau of Statistics (BBS), *Household Income and Expenditure Survey (HIES)*, latest round, and targeted housing-cost survey series (Dhaka: BBS).

13. PARTNERSHIPS AND THE ROLE OF HABITAT FOR HUMANITY BANGLADESH

Government should remain the steward of national housing policy and public accountability; financial institutions and private firms should expand viable supply and finance; and communities should shape solutions and monitor outcomes. Civil society, academia and development partners can generate evidence, test models and facilitate partnerships. Within this ecosystem, Habitat for Humanity Bangladesh can contribute where it has comparative advantage — as a complement to, not a substitute for, government, regulated finance and private delivery, through four roles:

- **Solutions incubator:** testing finance-plus-technical-assistance, resilient-housing and settlement-upgrading models with a clear pathway to scale.
- **Market facilitator:** working with PKSF, microfinance institutions, banks, builders and suppliers to improve products, capabilities and consumer protection.
- **Research and learning partner:** documenting costs, outcomes and household experience and translating findings into policy options.
- **Knowledge convener:** connecting government, communities, finance providers, firms, academia and development partners around practical housing solutions.

14. CONCLUSION: FROM HOUSING DEFICIT TO HOUSING OPPORTUNITY

Bangladesh cannot resolve housing inadequacy through public construction alone, and an unassisted market will leave many households behind. The practical pathway is an inclusive, accountable housing ecosystem in which government enables and regulates markets, invests in land and infrastructure, protects vulnerable households, and mobilizes household and private investment. The goal should be broader than producing units: it should be to create multiple pathways to adequate housing — through new construction, incremental improvement, rental, upgrading, serviced land, appropriate finance and targeted public support — while ensuring that homes and settlements are safe, inclusive, connected and climate-resilient.

2030 VISION

Every household in Bangladesh has a fair, realistic and sustainable pathway to adequate, affordable, inclusive and climate-resilient housing.