

Media Monitoring Report May 2020

BREIF ON NEWSPAPERS COVERAGE ON NATIONAL BUDGET



Prepared for
Bangladesh Health Watch

Prepared by

Media Professionals Group

Findings

All six newspapers have published different reports on Budget and most of them were focused on low share of health sector in the National budget.

Budget Coverage

Decreased Allocation for Health

- Though allocated amount for health has been increased for last years but share of this sector has been decreased from more than 6% to less than 5%.' According to that report, 'More than half of the total allocation is being spent on salaries, allowances, medicines and other operating expenses. The rest of the allocation is for the development of this sector. A large part of it goes to various types of infrastructure projects including building construction. There is very little for basic development of research and healthcare. According to World Health Organisation (WHO), per capita government expenditure in health sector is USD 88, which is USD 129 in Pakistan and USD 267 in India.' (Prothom Alo, Annex:1)

Patient spends 66%from his/her own pocket

- National Health Expenditure Report 2016 of Bangladesh Bureau of Statistics (BBS) said, the patient spends 66%from his/her own pocket. The government spends 23% of the cost and the development partners spend 8%. The remaining 3% percent comes from other sources, including group health insurance. (Prothom Alo, Annex: 2)

Status of Health Professionals

- Bangladesh Health Facility Survey 2017, NIPORT Report with financial support of USAID said, 26 % health care services organizations have specialized doctors, 60% organizations have general physicians and 80% organizations have nurses. Only 5 % of organizations have an emergency transport or ambulance. (Prothom Alo: Annex:2)

Recruit more doctors, nurses and new manpower for healthcare

- In the forthcoming budget, there is a proposal to recruit more doctors, nurses and new manpower for healthcare. There is a separate allocation for this. An additional Tk 200 crore is being given to the Family Welfare Department to increase corona prevention activities and awareness. Apart from this, there are proposals to increase the capacity of government medical colleges and hospitals, introduce separate isolation units for corona treatment, increase the import of safety materials, and allocate more for training and research. (Samakal, Annex:3)

New medical centers at 26 active land ports

- Plans are being made to set up medical centers at 26 active land ports in the country to prevent corona infection. Apart from this, more importance is being given in the upcoming budget for the import of surgical masks, personal protective equipment and necessary equipment, training of doctors and nurses. (Samakal, Annex:3)

Health care structure needs to be changed

- Experts opined 'there are three levels of healthcare - primary, middle and tertiary. At these three levels, the health care structure needs to be changed. Primary level i.e. upazila and union will be the main target. Here government spending will have to increase further. Management needs to be changed at the district level. And the hospitals and colleges that exist centrally need to be reformed in a different way. Autonomy can be given to run these hospitals. The research is very weak. In this case the allocation will have to be increased. The government needs to play a strong role in determining the price of medicines'. (Samakal, Annex:3)

\$4.5 billion in soft loans from Development Partners

- The government has already sought more than \$4.5 billion in soft loans, including \$1.25 billion from the Asian Development Bank, \$1 billion from the Japan International Cooperation Agency and an additional \$500 million from the World Bank. Financial assistances have also been asked from the Islamic Development Bank, \$190 million, the Asian Infrastructure Investment Bank, \$450 million, and \$700 million from the International Monetary Fund. A larger part of the assistance will be used to limit the deficit within a tolerable level in the new fiscal year that is expected to drag the brunt of slowdown due to the pandemic. (New Age, Annex: 4)
- The Japan International Cooperation Agency (Jica) and the Islamic Development Bank (IsDB) have agreed to provide budget support to Bangladesh to meet its growing expenditure needs in the face of the coronavirus pandemic. (Daily Star, Annex: 7)

Ministry on Returnees

- Expatriates' Welfare and overseas employment ministry's Secretary Ahmed Munir Saleheen said already 3,500 Bangladeshi migrants have returned home and a significant number would be coming back to Bangladesh. (New Age, Annex:6)

Budget Proposal for 20-21

- The government appears to have paid heed to the growing calls for a bigger health budget, with its allocation from the annual development programme soaring 28.92 per cent next fiscal year, the highest amongst the 12 sectors. Next fiscal year, some Tk 13,033 crore has been allocated to the health sector that is bursting at the seams with the escalating caseloads from the Tk 205,145 crore ADP approved by the National Economic Council (NEC) yesterday. Of the money going to the health sector, Tk 4,282 crore would come from the external sources. The World Bank and the Asian Development Bank have each approved \$100 million to aid the government to meet the growing expenditure in the sector. The Asian Infrastructure Investment Bank is also providing finances for the health sector. (Daily Star, Annex:10)
- The ADP came as Bangladesh continues to face significant health care challenges in combating the coronavirus pandemic. The health system is underdeveloped and underfunded, with only 9.9 doctors, nurses and midwives and 8.8 hospital beds per 10,000 people, while current health expenditure is only 2.4 per cent of GDP, said the Asian Development Bank recently. The physical planning, water supply and housing sector received the second-highest allocation of Tk 25,795 crore, or 12.57 per cent of the ADP. Of the ADP, Tk 134,643 crore would be financed through own resources, up 2.84 per cent from the revised ADP for this fiscal year. The remainder Tk 70,502 crore would be funded by external sources, up 13.71 per cent. (Daily Star, Annex:10)

Centre for Policy Dialogue

Need specific action plan

The worst affected are the poor. Many of them are still out of government support. The budget will have to take steps to bring them under social security activities. From the next budget, in the next few years, a specific action plan will have to be adopted and implemented for the recovery of the economy. (Samakal, Annex: 15)

Emergency Health Care

Infrastructure development and equipment needs to be procured to ensure emergency health care. In this case, import tax should be avoided if necessary. Private sector hospitals that are or will be working on coronavirus treatment should be given incentives. Allocation to agriculture should be increased to create more employment. Because if the cost increases here, there are many more opportunities to create employment for low income people. (Samakal, Annex: 15)

Need to increase Health Budget

In the next budget, the government's expenditure on health will have to be increased to at least 2 percent of GDP. It is not enough to just increase the allocation. We have to develop infrastructure in this sector and focus on creating skilled manpower. He added that many expatriate Bangladeshis may lose their jobs and return to the country due to the

coronavirus epidemic. This will reduce remittance income on the one hand, on the other hand, they have to think about employment now. In this case, whether something can be done in agriculture and rural economy or those who want to do something themselves, their support must be ensured. (Samakal, Annex: 15)

Experts on Budget

- **Syed Abdul Hamid, Professor, Institute of Health Economics, Dhaka University**
Health Budget focused on salaries and allowances, medical supplies including medicines and construction and repair
How much does the budget increase every year, it is mainly in salaries and allowances, medical supplies including medicines and construction and repair. Those who develop budget on behalf of the Department of Health, They do not budget based on demand, they develop next year's budget by 5 or 10 percent more than the previous year's budget. Again, many do not have the skills to spend. Again, many do not have skills to spend. That is why the budget remains unused. There is a shortage of skilled manpower in the health department and the ministry to develop reasonable budget. (Prothom Alo, Annex:1)
- **Rasheda Akhter, Additional Secretary (Budget), Department of Health Services**
Corona will be priority issue in the next budget
Tackling situation related to corona will be priority issue in the next budget. However, there will be regular allocations for the health sector. Initiatives have been taken to address issues on health infrastructure and manpower. Recent recruitment of thousands of doctors and nurses are parts of that initiative. (Prothom Alo, Annex:1)
- **Shamsul Alam, a member of the General Economics Department (GED) of the Planning Commission**
Fragile the country's health system
Corona showed how fragile the country's health system is. According to him, proper medical care for the poor needs to be ensured. In addition, the health sector must work for the overall health of the people. (Prothom Alo, Annex:1)

- **Dr. Hossain Zillur Rahman, Former Caretaker government adviser and BRAC chairperson**

Massive reforms in the health sector

Without massive reforms in the health sector, money will not be spent properly. General people will not get benefits. The Corona situation has shown that bureaucratic complexity is strong in this sector. Corruption is rampant. Reform is more urgent than big allocations here.

Opportunity for corruption

Bureaucrats are more enthusiastic about building infrastructure than spending money to increase skilled manpower in the sector, opportunity for corruption is more there. As a result, a 200-bed hospital was built with manpower for 50 beds. So objectives of money spent in building have failed. (Prothom Alo, Annex: 2)

- **Ahsan H Mansur and Abdur Razzaque are executive director and research director of the Policy Research Institute of Bangladesh**

Performance of Current Budget

Revenue shortfall is likely to be more than Tk 1.1 lakh crore, and the prospects of a pick-up are looking increasingly bleak in the face of reduced economic activities. The export outlook remains unusually depressed for the coming months. In April, exports earnings were \$563 million, down 82.9 per cent from a year earlier. Remittance hit a 34-month low of \$1.08 billion in April, down 25 per cent from a year earlier. And its outlook is extremely clouded, too. Manufacturing and services sectors (including hotels and restaurants, construction, transportation, etc.) have taken massive hits due to the lockdown measures and shrinking demand. The implementation of the annual development programme (ADP) is likely to less than 60 per cent. (Daily Star, Annex: 5)

Priorities for Next Budget

There is a general agreement that in the first six-months (July-December), the government should have three key priorities: (1) COVID-19 health crisis management; (2) livelihood support management; and (3) economic recovery management. These activities will require additional budgetary allocations, while allocations for other areas should be kept unchanged or reduced to generate savings. The unutilised part of fiscal 2019-20's ADP with some prioritisation could be rolled over into the first half of fiscal 2020-21. (daily Star, Annex: 5)

- **Dr Nazneen Ahmed is Senior Research Fellow, Bangladesh Institute of Development Studies (BIDS).**

Three Year Recovery Plan

The economic downturn caused by Covid-19 or coronavirus is widespread worldwide. This is not the only issue of Bangladesh and it is not a problem of any single sector. That is why, the economic damage caused by the pandemic is far-reaching. Thus plans need to be made for the next three years by means of a three step recovery programme to deal with the economic losses from corona. These are : Prevention phase (from June 2020 to June 2021), Recovery phase (FY 2021-22) and Progress phase (FY 2022-23).

- **Prevention phase (from June 2020 to June 2021):** The main goal of this period is to minimise the economic losses as much as possible to keep the industry and trade alive and to save the lives and livelihoods of the people by reducing the health risks.
- **Recovery phase (FY 2021-22):** This recovery phase will begin when a virus vaccine or an effective medicine is available. The phase is expected to begin in July 2021. However, the phase may start earlier if we are lucky, and may even be delayed if the antidote or the medicine is not available in the market by the anticipated time.
- **Progress phase (FY 2022-23):** The economy should move faster than the pre-COVID situation at this phase, so that we can cover the loss incurred during the pandemic (Financial Express, Annex:8)
- **Zahid Hossain, former World bank Economist**

Need large scale Fiscal Package

Large fiscal packages are needed to expand healthcare provision, protect payroll, delay tax payment, avert unnecessary bankruptcies, shore up the financial system and help the informal sector households survive the pandemic.

We need to ramp up the capacity of the health system to deal with health risks. The physical and human capital deficits in the health system at the national and local levels are painfully evident.

Restructuring existing health-related expenditure to focus more on COVID-19-related capacity building is needed, but not at the expense of reducing the provision of non-COVID-19 care. (Daily Star, Annex:9)

- **Dr. Rashed Al Mahmoud Titumir: Professor and Chairperson of Development Studies, Department of Development Studies, Dhaka University**

Necessity of Creative Approaches

Action must be taken according to the situation. We have to show creativity by coming out of the traditional system. (Prothom Alo, Annex: 11)

- **Barkat-e-Khuda, PhD, is a former professor and chairman of the Department of Economics, University of Dhaka, and Dr Muzaffer Ahmed Chair Professor at Bangladesh Institute of Bank Management (BIBM)**

National Action Plan

The National Action Plan would require substantial additional funding. The question is: where will such funding come from? It is obvious that internal resources mobilisation will be lower because of the considerable slowdown in economic activity and declines in export earnings and remittances. What, then, would be needed is to downsize and delay less relevant projects, revisit existing projects and cut costs wherever feasible, resort to deficit financing to the extent needed, and seek project funding from development partners and financing from international lending agencies. (Daily Star, Annex:12)

- **Dr. Atiur Rahman, Former Governor, Bangladesh Bank**

Coordinated Exist Plan

It is possible to overcome this crisis through mutual cooperation; adoption and implementation of innovative programs more than any other time. The issue of gradual opening up of the economy (exit policy) needs to be implemented in a coordinated manner with the opinion of health experts. The experience of the surrounding countries should also be kept in mind. (Kalerkantho, Annex: 13)

- **Dr Fahmida Khatun is the Executive Director at the Centre for Policy Dialogue**

Effective Monitoring fro Quality Health Services

As the economy of Bangladesh is progressing healthcare services through the private sector is expanding. These should be regulated and monitored effectively by the government to ensure the quality. Because the quality and cost of health services varies across the unregulated private health providers. Private healthcare system should be integrated within the overall national health system. Quality of pharmaceutical products also need to be monitored through strong oversight mechanism by the Ministry of Health and Family Welfare.

- COVID-19 crisis testifies how ill prepared we have been to tackle a health crisis. Limitations are evident in many areas—from facilities such as testing kits, ventilators, hospital beds, and intensive care unit in hospitals to number of doctors and health workers. This surely indicates the need for higher investment in the health sector. Without major investment by the government, affordable and accessible healthcare for all cannot be ensured and the inequity in healthcare outcomes cannot be reduced. If we want to sustain the economic growth, the country must provide universal and good-quality healthcare services to each and every one. But the COVID-19 crisis also revealed our weaknesses in management and coordination capacity. The improvement of the health sector should be looked at holistically. And we have an arduous path to get there. (Daily Star, Annex: 14)