

LOW BUDGET OR MANAGEMENT FLAWS? EXPERTS FLAG INEFFICIENCY IN HEALTH SPENDING

ROUNDTABLE - DHAKA

TBS REPORT

The health sector is facing major budgetary challenges due to flawed preparation processes that fail to identify priorities, leading to inefficient fund allocation and poor utilisation, experts said.

They also said there is a lack of managerial efficiency, as well, in implementing the health budget.

These insights were shared at a roundtable discussion titled "Health Budget 2025: Expectations and Realities," organised by ARK Foundation at The Business Standard office on 4 June, and moderated by Sharier Khan, senior executive editor at TBS.



Highlighting the urgent need for reforms in the health sector, experts said allocations to other ministries, disguised as health spending, further shrink the actual budget, while frequent cuts during the revised budget process leave the sector underfunded. PHOTOS: MEHEDI HASAN



PROFESSOR RUMANA HUQUE
HEALTH ECONOMIST & EXECUTIVE
DIRECTOR, ARK FOUNDATION

This year, the proposed budget for the health ministry is Tk41,908 crore, which was Tk41,407 crore last year. That's an increase of Tk501 crore from the previous year, comprising 5.3% of the total national budget.

The Health Reform Commission had recommended allocating 15% of the national budget to the health sector, but we do not see that recommendation reflected here.

We need to prioritise early investment, starting from childhood to adolescent health, where every \$1 investment returns \$10.

Greater emphasis is needed on preventive and promotive care, especially in urban primary health care. We hope these initiatives will be taken seriously.

It's a positive step that in this year's budget, there is a proposal to waive import taxes on raw materials for anti-cancer medicines. There is also a proposal for VAT exemption on sanitary napkins, and tax reductions on insulin, which is welcome.

Particularly in the development budget, we should avoid constructing unnecessary infrastructure.



HELEN ELSEY
PROFESSOR IN GLOBAL PUBLIC
HEALTH, UNIVERSITY OF YORK

We need to reimagine urban infrastructure with a focus on inclusion, safety, and health equity – particularly for women, children, the elderly, and persons with disabilities.

Such measures include developing women-friendly recreational spaces with a green environment, ramps, seating areas with roofing, a drinking water cistern, well-designed washrooms with a continuous water supply, special walkways, and other amenities for specific groups such as physically challenged individuals and senior citizens.

Developing well-designed and wide footpaths with ramps and cycling lanes for all communities, ensuring they are used exclusively for walking or physical activity, and removing informal markets or street vendors from these spaces is also crucial.



FATEMA KASHFI
SENIOR RESEARCH ASSOCIATE
AT ARK FOUNDATION

By utilising the tech-savvy youth of Bangladesh, it is possible to reduce the pressure on urban primary health care. For minor issues, the use of AI can help decrease referrals to tertiary care.



DR ENAMUL HAQUE
DIRECTOR GENERAL OF THE HEALTH
ECONOMICS UNIT AT THE HEALTH
MINISTRY

Investing one dollar in primary healthcare yields a benefit of eighteen dollars, yet despite so much discussion, we have not been able to focus adequately on primary health care.

The inability to spend effectively is also a key reason why the health budget is not increasing. Currently, from field level to the ministry, financial capacity is weak.

What we now need are skilled managers—those who are trained in administration. With professionals who have undergone managerial training, meaningful change in the health sector will be possible.



PROFESSOR DR LIAQUAT ALI
MEMBER OF THE HEALTHCARE
REFORM COMMISSION

There is a significant gap in our managerial capacity when it comes to implementing the budget.

Recent steps such as tax exemptions for insulin and cancer medications, along with tax relief for hospitals, are commendable.



DR HALIDA HANUM AKHTER
FOUNDER OF SOCIETY FOR HEALTH
PROMOTION LINKS

In our country, maternal mortality is still high, yet the budget for women's and child health has decreased. Most women still do not receive the four antenatal care visits. The budget should be allocated for those people whose lives are at risk if they do not get the service.



AKM FAHIM MASROOR
CEO, 80JOBS

Foreign investment is essential in the health sector, but unfortunately, it's often blocked – sometimes by medical professionals themselves. Many top doctors own hospitals and form a kind of lobby that resists foreign investment, including hiring foreign nurses. We must break these barriers.

One idea – why not link income tax with insurance? NBR can act as a collection agent. For instance, if someone pays 5,000 taka in tax, 1,000 can be for insurance. Then that person gains the right to use private hospital services covered by insurance.



DR MUHAMMAD ABDUS SABUR
PUBLIC HEALTH EXPERT

It is a common narrative that the health sector fails to spend its allocated budget, and therefore receives lower allocations. But there is little discussion about how the health budget is actually reduced in the revised budget.

For example, this year the allocation for the health sector has been set at 5.3%, but in the revised budget it could drop to as low as 3%.

Meanwhile, other ministries use funds in the name of health.

This year, Tk4,000 crore has been allocated for the treatment of poor patients, but there is no clarity on how that money will be spent. My guess is, it will end up being handed over to the social welfare ministry.



PROFESSOR DR SYED ZAKIR HOSSAIN
LINE DIRECTOR OF NCD
CONTROL, DGHS

Seventy one percent of Bangladesh's population die from non-communicable diseases (NCD).

Despite this, only 4% of the health budget is allocated to NCDs, which is inadequate. At the NCD corners, we supply medicines, but due to delays in timely budget allocation, we cannot ensure the timely supply of those medicines.



YASMIN H AHMED
PROJECT ADVISOR,
BANGLADESH HEALTH WATCH

About 80% of people seek healthcare from the private sector, so it must be brought under accountability.

We need rational budgeting. Development budgets build beautiful hospitals, but revenue budgets don't increase staff or food allocations – so how will these hospitals function?

Without decentralisation, we can't be efficient. If buying a fire requires going up to the ministry, it's not a functional system. Also, assigning a procurement task to an eye specialist, for instance, is not practical. We must address inefficiencies like this.



DR MAHBUB ELAHI CHOWDHURY
SENIOR SCIENTIST AT ICDDR,B

A vigilante group can be formed for the preparation and implementation of the health budget.

Only those who can afford, are accessing services from the private sector – but what about the poor?

In 2016, the government piloted the 'Shasthyo Shurokhsa Karmasuchi (SSK)' and saw positive outcomes, yet it was never scaled up nationally.



ADVOCATE SYED MAHBUBUL ALAM
SECRETARY, CENTER FOR LAW
AND POLICY AFFAIRS

Our constitution mentions 'treatment' only once, but it talks about 'public health' four or five times. Yet, when it comes to health, all we focus on is treatment, not prevention. Public health remains neglected.

For example, walking can reduce diabetes, lower blood pressure, and if people start walking early, non-communicable diseases (NCDs) can be prevented – and there will be no need for expensive medicine.

When the railways started transporting mangoes for free, and as a result, mango prices in Dhaka started to fall.

But the railway said they're incurring a loss – spending Tk2 crore on this.

Now, this Tk2 crore could be paid from the health ministry's nutrition budget to the railway ministry. That way, if mango prices stay low, the population's nutrition value will increase. The problem is that there is no communication between the rail ministry and the health ministry.



DR M H CHOWDHURY LELIN
PUBLIC HEALTH EXPERT

Bangladesh has around 85,000 practicing doctors, but we need at least 250,000 nurses – yet we only have 56,000. The number of pharmacists and technologists is even lower.

There's no opportunity for doctors to pursue PhDs, yet the budget talks about PhDs for nurses. Who will facilitate that?

The reduction in prices of anti-cancer drugs and sanitary napkins is a good step.



DR MAHMUDA ALI
HEALTH OFFICER,
DHAKA NORTH CITY CORPORATION

As a local government institution, we are responsible for ensuring primary healthcare for city dwellers. Currently, this is being done under a project set to end on 30 June, now in its extension phase, and partly through NGOs.

Alongside the national budget, we have our own. We plan to increase allocations for primary healthcare in the next fiscal year. We've already submitted our draft budget focusing on this.

Since the current project doesn't cover the entire DNCC area, it is our responsibility to fill the gap. Our leadership is aware and supportive, and we are committed to enhancing the budget for primary care.



SAMINA HUQUE
SENIOR PROJECT MANAGER,
ARK FOUNDATION

We must strengthen the skills and support for allied health professionals – pharmacists, nurses, paramedics – who carry much of the primary and secondary healthcare burden in Bangladesh.

Another important issue is public participation. If the local health workers, service users, youth and community representatives are engaged in budget preparation, we can make it more responsive.

A budget is not just a financial plan – it's a social contract.



SAMIA AFRIN
PROJECT DIRECTOR, NARIPOKKHO

There is a serious lack of coordination among the health ministry, the Directorate General of Health Services, and the Directorate General of Family Planning. Often, multiple agencies work with the same people in the same areas without coordination, causing confusion and affecting service delivery, especially for women.

Tertiary hospitals are overwhelmed, while upazila and district-level facilities are underutilised – highlighting the need for a better referral system. Discussions around health always focus on public facilities, but where is the accountability for private hospitals?