SECTOR ASSESSMENT (SUMMARY): HEALTH

A. Sector Performance, Problems, and Opportunities

1. Bangladesh health levels are still relatively low in the region, but the country has made notable progress toward achieving its Millennium Development Goal targets.[1] For example, from 2000 to 2015, child mortality has declined from 88 to 46 deaths per 1,000 live births, and maternal mortality has reduced from 399 to 176 deaths per 100,000 live births.[2] From 2006 to 2013, intra-urban differences in some health outcomes and service use also narrowed, such as in antenatal care.[3] The decline in fertility rates in urban areas was considerable, with the highest contraceptive prevalence rates (70%) and fertility rate drops (from 2.5 in 2003–2006 to 2.0 per woman in 2010–2013) seen in slums. This progress is due to improved service access and coverage of key interventions over the years, including through the network of providers under the Urban Primary Health Care Services Delivery Project.[4]

2. Despite gains in health outcomes, Bangladesh requires further effort to expand coverage of essential health services. Large disparities in the health status of the urban population continue to persist, with the urban poor especially disadvantaged. For example, only half of the women living in slums receive antenatal care from medically trained providers, compared with 83% of women living in non-slum areas; facility-based delivery is highest among women living in non-slums (65%) and lowest in slums (37%); and half of children aged under five in slums were stunted, compared with one-third for non-slums and other urban areas (footnote 3). Only 13% of households in slums had access to improved sanitation, which vastly impacts communities' health and well-being (footnote 3). These indicate that access to basic health services for the urban poor remains vastly inadequate to close disparity gaps. For example, the current Urban Primary Health Care Services Delivery Project only covers 10 city corporations and four district municipalities, reaching an estimated 9.5 million people—about 17% of the country's total urban population. While private providers have emerged, their costs are generally unaffordable to the urban poor and quality may be dubious.

3. Several challenges face the effective and sustainable delivery of basic health services to meet the needs of the urban poor. First, nongovernment organizations (NGOs) and the private sector are major supplementing health providers in Bangladesh because of limited government capacity. Given weak public sector capacity and the presence of multiple players, urban health service delivery is fragmented and weakly coordinated.[5] Development partners directly channeling funding through NGOs tend to create parallel systems and undermine public sector and local government coordination roles. The current project has been the only major player in the urban health space directly working through the public sector and local governments to strengthen their coordination role and capacity in public–private partnership (PPP) with non-profit providers. Attempts at greater coordination within government are taking place. For example, an Urban Health Coordination Committee, chaired by the secretary of the Ministry of Health and

[1] Government of Bangladesh, Planning Commission. 2016. *Millennium Development Goals: End-period Stocktaking and Final Evaluation Report (2000–2015)*. Dhaka.
[2] Government of Bangladesh, Ministry of Health and Family Welfare. 2016. *Bangladesh Demographic and Health Survey, 2014.* Dhaka.
[3] Government of Bangladesh, Ministry of Health and Family Welfare, National Institute of Population Research and Training. 2015. *Bangladesh Urban Health Survey, 2013.* Dhaka.
[4] Asian Development Bank (ADB). 2012. *Report and Recommendation of the President to the Board of Directors: Proposed Loan, Technical Assistance Grant, and Administration of Grant to the People's Republic of Bangladesh for the Urban Primary Health Care Services Delivery Project*. Manila.
[5] Health services are provided by a wide range of providers in Bangladesh. The private sector, such as NGOs and donors, have played a critical role in the country given limited public sector capacity.

Family Welfare (MOHFW) and co-chaired by the secretary of the Local Government Division (LGD), has been established but requires further working improvements to identify roles and responsibilities and better planning and coordination in selected areas such as quality assurance and information systems.

4. Governance and stewardship for sustainable urban primary health care (PHC) also need to be improved. While the MOHFW is responsible for the policy and stewardship of the whole country, the mandate of urban primary health and public health activities lies with the urban local bodies (ULBs) according to the Local Government (City Corporation) Act, 2009 and Local Government (*Pourashava*) Act, 2009. However, cities and municipalities often do not have the resources, financial or institutional, to undertake these functions. The MOHFW also has limited capacity and sector-level prioritization of urban health, along with chronic budget underspending, indicating inefficiency in the use of resources. The overall urban health stewardship and technical support functions need to be strengthened, as well as the delivery of local government functions, through better institutional coordination and appropriate governance mechanisms.

5. The expansion of city areas, rural–urban migration, and a rapidly increasing urban population pose new challenges for effective urban PHC service delivery. In Bangladesh, the urban population ratio increased from 19.8% to 33.5% from 1990 to 2014.[6] By 2040, the urban population is expected to be 98.9 million and comprise 50.0% of the total population. With such rapid urbanization, it is increasingly imperative to review and support delivery mechanisms that can rapidly scale up, such as through PPPs, and increase resources to improve and expand the coverage of services in urban areas.

6. **Experience from the current project**. The independent midterm review in November 2015 observed that, through the ongoing project, the LGD effectively provides leadership to the country's efforts in finding scalable models for urban PHC delivery through ULBs. The current project has (i) increased the access of target beneficiaries, especially from poor households, to Essential Service Delivery Plus provided through PPP; (ii) provided some 23.5 million client contacts, of which 74% were women and 26% men at midterm review; (iii) constructed a network of over 180 health facilities nationwide; (iv) built experience in the management and contracting of health service delivery by NGOs; and (v) strengthened procurement, financial management, and monitoring and evaluation systems. Despite this progress, improvement in institutional strengthening for the sustainability of the subsector remains a challenge. For example, many of the targets on sustainability lacked traction, so further measures are needed to incentivize their action.

B. Government's Sector Strategy

7. The Seventh Five-Year Plan, FY2016–FY2020 recognizes the link between health and nutrition to poverty and growth, and reaffirms the priority objective of the previous Five-Year Plan on improving urban health services to facilitate access and effective use of the available essential health services package by the urban poor and slum dwellers.[7] The priorities of the government's Seventh Five Year Plan emphasize the need to build a coalition of interests around one harmonized approach for greater coordination between the Ministry of Local Government, Rural Development and Cooperatives (MOLGRDC) and MOHFW on the management of urban health, and alternate service delivery mechanisms including PPPs for basic services. The government,

[6] United Nations, Department of Economic and Social Affairs. 2014. *World Urbanization Prospects: The 2014 Revision*. New York.

[7] Government of Bangladesh, Planning Commission. 2015. *Seventh Five-Year Plan, FY2016–FY2020*. Dhaka.

with the support of the Asian Development Bank (ADB), also developed the National Urban Health Strategy (NUHS) and a forthcoming action plan.[8] The MOHFW's 4th Health Nutrition and Population Sector Program further highlighted the need for strengthening coordination among the MOHFW, MOLGRDC, NGOs, and private sector for operationalization of the NUHS guidelines.

C. ADB Sector Experience and Assistance Program

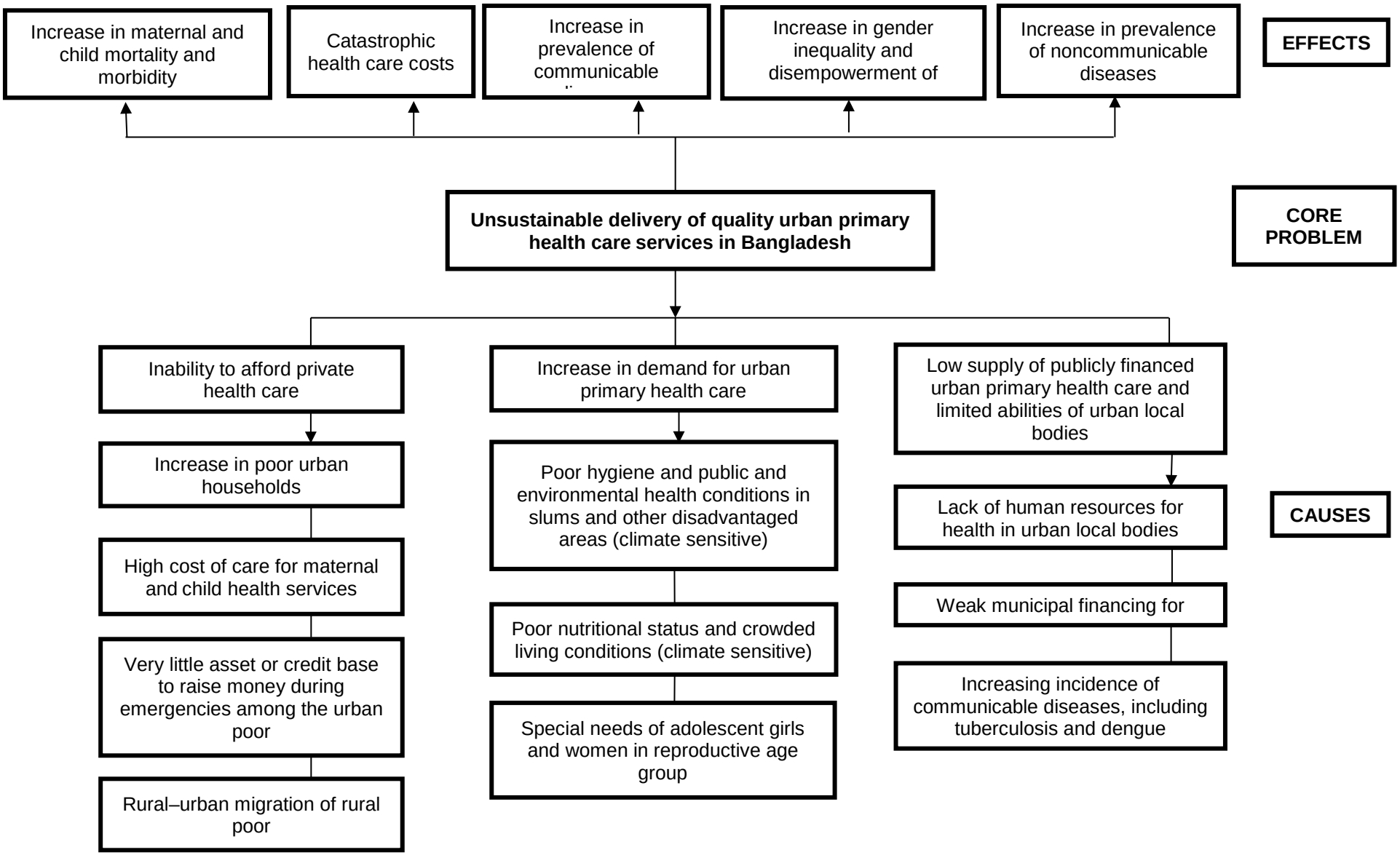
8. The current project has significantly contributed to improving the accessibility and quality of urban PHC services, which are responsive to the national strategy and the needs of the target population. PPPs for health service delivery has filled the gaps that resulted from inadequate service provision and limited government capacity. Under the project, the NUHS was formulated and approved in 2014 by the MOLGRDC, considering overall national goals and policies and the need for a well-planned strategy for an urban health system. However, the LGD needs to be strengthened to be responsible for urban health and requires capacity strengthening for the continuation of urban PHC services. Consequently, the focus on practical mechanisms needs to increase for (i) improving coordination at all levels, (ii) strengthening city and municipal health departments, (iii) updating the PHC service scope, and (iv) achieving financial sustainability.

9. Experience drawn from development partners also generally recognized challenges related to coordination between the MOLGRDC and MOHFW in urban health, the roles and capacity of ULBs, and sustainability. The development partners all emphasized stronger coordination between the two ministries. The integration of service statistics and field-based information is recognized as important for urban health planning and coordination. They also agreed that the role of NGOs and the private sector in the delivery of urban health should be further developed and formalized through PPPs to support the diversification of health service delivery strategies.

10. Additional financing of the current project will have the following outputs: (i) institutional governance and local government capacity to sustainably deliver urban PHC services strengthened; (ii) accessibility, quality, and use of urban PHC services improved, with a focus on the poor, women, and children, through PPP; and (iii) effective support for decentralized project management provided. The proposed additional financing will cover the additional cost for the 5-year extension. It will also assist the government in continuing and scaling up the PPP modality of contracting service providers and strengthening local health systems and capacities in an integrated and long-term perspective toward a sustainable urban primary health sector. During the additional 5-year period, the government envisions that it, including ULBs, would be sufficiently strengthened to sustain health services through the establishment of a functional, fully-staffed permanent institutional body and a dedicated revenue budget head for urban primary health under the MOLGRDC, from which government budget allocations will supplement city and municipal health financing. ULBs would also ensure financing functionaries, and institutional arrangements will be sustained accordingly. After project completion, contracting health services will predominantly continue, and where the capacity exists, selected local governments may deliver services themselves. Once an LGD revenue budget for PHC has been established and funded, and the Urban Development Wing has been sufficiently strengthened, future engagement under a programmatic approach may be explored by the government and ADB.

[8] Government of Bangladesh, Ministry of Local Government, Rural Development and Cooperatives, Local Government Division. 2014. *National Urban Health Strategy*. Dhaka; Government of Bangladesh, Ministry of Local Government, Rural Development and Cooperatives, Local Government Division. Forthcoming. *Operational Plan for Implementation of the National Urban Health Strategy 2018–2023.* Dhaka.

PROBLEM TREE



Source: Asian Development Bank.