

MEETING

RE: **HEALTH, NUTRITION AND  
POPULATION SECTOR  
PROGRAMME, BANGLADESH,  
2005-2010**

Time: 4 March 2005

Place: Sida, Stockholm

## MINUTES Project Committee

7 March 2005

1 (10)

**Present:**

***Chairperson***

Gunilla Hesselmark

***Respondent***

Syed Khaled Ahsan, Embassy/Dhaka

***Discussant***

Hannah Akuffo

***Project Committee (PC)***

Inger Axell

Agneta Danielsson

Lars Ekengren

Molly Lien

Karin Metell Cueva

Joakim Molander

Berit Rylander

***PC Secretariat***

Agneta Halldén

***Others***

Rebecka Alffram, Health Division

Bernt Andersson, Health Division

Anna-Kari Bill, Health Division

Jan Bjerninger, Asia Department

Britt Hagström, Department for

Democracy and Social Development

Börje Mattsson, Embassy/Dhaka

Susanne Lokrantz, Health Division

Karin McDonald, Legal Division

Maria Norrfalk, Director General

Sven Olander, Department for Policy  
and Methodology

Stefan Roos, Legal Division

### ***Introduction***

The Embassy of Sweden in Dhaka suggests that Sida contributes 100 million SEK per year during a five year period, 2005 – 2010, to the Health, Nutrition and Population Sector Programme (HNPSP), thus altogether 500 million SEK.

The respondent presented the programme in the form of a slide show. A sector wide approach (SWAp) was introduced in 1998, when the Health and Population Sector Programme (HPSP) started running. It was, however, more of a “sector narrow” approach as it excluded certain crucial components – services for the urban population and the areas of nutrition and (partially) HIV/AIDS prevention.

The second SWAp, HNPSP, will include also these components. The health sector SWAp in Bangladesh could be the largest in the world.

The respondent informed about lessons learnt from HPSP: The programme was characterised by certain flaws; it lacked definite poverty objectives and no targets were set for reducing inequalities. It lacked appropriate mechanisms for interactions with the political leadership. The roles and responsibilities of the Government of Bangladesh (GOB) and development partners were mixed up, and the TA component was to a great extent supply driven. However, reviews by independent consultants have shown that the sector wide approach has enabled GOB to assume a stronger ownership role.

These lessons learnt have been a crucial input in the planning for HNPSP. GOB intends to sit in the driver's seat. The programme was prepared through an extensive consultation process at national and grassroots level, which resulted in an overall focus on poverty reduction. A number of institutional reforms will be implemented to ensure accountability, transparency and measures against corruption. Capacity will be built through the satellite mechanisms of the Programme Support Office (PSO), and the Management Support Agency (MSA) with externally recruited staff working side by side with staff from the Ministry of Health and Family Welfare.

Referring to Sida's pro-poor policy and focus on sexual and reproductive health and rights the respondent emphasised the importance of continued Swedish support to the health sector.

### *Discussion*

Among the issues discussed in depth may be mentioned

- scope and framework of HNPSP,
- results and outcome for the poor of the previous support to the health sector,
- GOB ownership and capacity building,
- financial management and corruption,
- monitoring and evaluation,
- dialogue issues and judicial matters.

#### **1. Scope and framework of HNPSP**

The assessment memo states that 92 percent of GOB's services in the health sector are included in HNPSP. The PC asked which components that are included in the programme and which components that are separate. The PC also asked what the deliberations have been behind leaving out 8 percent of the health budget. The respondent explained that HNPSP includes all primary health care services. The remaining 8 percent consists of secondary, tertiary and specialised health care, for which GOB can easily attract investment from private "for profit" agencies.

The PC asked why the Menstrual Regulation Programme is a separate component. The respondent explained that "menstrual regulation", i.e. safe abortion, indeed is a component of HNPSP, but that it is treated as a separate programme because of

its sensitive nature. American USAID as well as internal religious groups exert pressure against all kinds of abortion-related interventions.

## **2. Results and outcome for the poor**

The PC asked about results from the previous health sector support. What has been achieved? And what is the outcome for the poor of the sector wide approach reform? The respondent admitted that the pro-poor targeting so far had not functioned properly and that outcome had not met expectations. However, service delivery has improved significantly and now works on a regular basis. GOB has initiated the process of developing guidelines and tools for targeting resources for the poor and made a list of poor districts for resource allocation on priority basis.

The PC called for a more distinct definition of the target groups and coherence of definitions in the various documents (memo, LFA matrices and agreements). The definition “the poor, women and children, and the elderly” only leaves out some 13 percent of the entire population. In this context the respondent reminded of the fact that GOB has the obligation to deliver service to all citizens but with special priority to vulnerable groups, hence the definition. The respondent promised to sharpen the definition.

The PC asked about the voucher scheme, which is mentioned in the memo as a new component to enhance performance. The respondent informed that GOB in collaboration with WHO has introduced a system with vouchers for women during their first pregnancy. It is a pilot scheme, which will be revised based on lessons learnt and eventually replicated across the country.

## **3. GOB ownership and capacity building**

The PC pointed out that the whole programme seems to be externally managed and asked how this goes along with GOB’s intention to sit in the driver’s seat. The finances are managed by the World Bank. The satellite bodies (PSO and MSA) are manned by externally recruited people. The internal audits are outsourced to external expertise. What is thus the role and responsibility of the Ministry? How is capacity to be built within such a model of operation?

The respondent explained that the satellite bodies will be fully under the control of the Ministry and that ministerial staff will be stationed there. It is an improvement compared to the previous programme, as the PSO function was then placed at the World Bank office. The MSA, which handles recruitment and monitoring of NGO’s and the private sector, will possibly be integrated with the Ministry during the programme period. Regarding financial management and audit the respondent referred to Annex 5 of the memo, “Assessment of Financial Management and Audit Systems”.

## **4. Financial management and corruption**

It is a well known fact that Bangladesh is one of the most corruption prone countries in the world. Moreover, awareness is growing of the fact that health is a sector subject to corruption, due to e g large amounts of medical supplies that

might be unduly sold instead of distributed to health centres. Against this background the PC found it surprising that the assessment memo lacks an analysis of the types of corruption prevalent in Bangladesh and how the health sector is specifically affected. Lack of accountability is a severe problem. Research shows that when end users get information on their rights to receive public funds, allocations increase by 80 percent. When it comes to decentralisation there are two schools of thinking within the anti-corruption expertise. One claims that decentralisation increases political participation and transparency, the other that it promotes corruption on local level.

The respondent promised that an analysis of the types of corruption prevalent in Bangladesh, and specifically in the health sector, will be included in the assessment memo. The respondent pointed out that the Embassy cooperates with the Transparency International's local chapter in Bangladesh. There is a focal point at the Embassy (Mats Alentun), who has conducted an assessment of HNPSp's financial management and audit systems. GOB has prepared a "Financial Management Improvement Plan" (FMIP) under HNPSp, with the purpose to enhance the financial management capacity. Regarding implementation of the plan within the Ministry the respondent referred to Annex 5 of the AM, ("Assessment of Financial Management and Audit Systems"). This document highlights in all 18 risks and corresponding mitigating measures. According to the focal point Bangladesh will most likely possess enough financial management capacity by 2010.

The embassy representative informed about the current situation on the top political level: GOB is most aware of the problem of corruption and the necessity to apply comprehensive anti-corruption strategies. According to the PRSP draft from 2005 the issue is crucial for development of the country. What is needed is nothing less than a "culture revolution" – to change the minds of people. A civil servants reform is planned, and it will possibly include an increased salary level within the crucial sectors of police, judiciary and infrastructure. The representative could not say to what extent the political rhetoric is genuine, but he assured that the donor community is keeping the pressure up. The issue is raised during all high-level meetings.

## **5. Monitoring and evaluation, baseline data**

The PC emphasised that a plan for monitoring must be developed with clearly defined indicators not only on output but also on outcome level. The respondent informed that a pro-poor monitoring system for HNPSp is currently being designed.

The PC pointed at certain obscurities in the baseline data and indicators as presented in the assessment memo. There are contradictory statements regarding which years that are compared and what the baseline is. It is not clear what the quantitative criteria are for success.

The PC questioned the capacity of the World Bank office in Dhaka to shoulder the considerable tasks to coordinate the different development partners, to carry out the dialogue with the Bangladeshi authorities and to monitor the programme. The

respondent argued that the Bank office in Dhaka has learnt to manage these tasks through implementation of the previous programme, HPSP.

## **6. Dialogue issues and judicial matters**

According to the respondent the dialogue issues are as follows:

- ownership and partnership
- HIV/AIDS
- improvement of the financial management system
- decentralisation
- sexual and reproductive health and rights.

The PC pointed out that anti-corruption should be a dialogue issue.

The Embassy has presented two agreement texts, but so far only in a rudimentary draft form – a Specific Agreement with GOB and an Administration Agreement with the World Bank. A third agreement is mentioned in the memo – a Partnership Arrangements for the pool financiers.

The PC emphasised that the agreements have to be elaborated in consultation with the Legal Division. The different agreements have to be coherent with each other. The dialogue issues should be included in the Specific Agreement.

## ***Conclusions***

The Chairperson thanked the respondent for a good presentation and an interesting discussion. The sheer magnitude of the programme warrants some further elaboration before forwarding the proposal to the director general for decision. First of all the assessment memo should be amended with some of the information given in the verbal presentation and during the discussion.

The PC called for the following complements to the memo:

- Give an overriding picture of the programme's place in the framework of Bangladesh's development. How does it fit in with the PRSP, etc?
- Summarise the major results from previous Swedish support to the health sector, regarding the general health situation as well as the institutional changes that have taken place.
- Define clearly the objectives for health services as well as institution building. Make sure there is coherence in the formulation of objectives in the different documents.
- Identify more distinctly the target groups.
- Look into the issue of monitoring and evaluation. Express the indicators in concrete terms on output as well as outcome level in such a way that they will be easy to follow up. Explain the monitoring process and Sida's possibility to follow the programme.

- Describe the relationship between Sida and the World Bank and their respective roles and responsibilities. Make an assessment of the World Bank office in Dhaka and its capacity to shoulder its responsibilities in the SWAp.
- Analyse the corruption situation in the Bangladeshi health sector. Include anti-corruption among the dialogue issues.
- Specify all relevant dialogue issues for the programme and identify to which of them Sida will pay special attention.
- Consult the Legal Division in formulating the agreements. Mention the dialogue issues in the Specific Agreement.
- Reflect on the issue of capacity building in the context of a possible exit.

### ***Recommendation***

It was decided to recommend to the Director General to approve a contribution of 500 million SEK to the Health, Nutrition and Population Sector Programme after the Embassy in Dhaka has taken the above mentioned measures and made the amendments to the assessment memo suggested by the PC.

Minutes prepared by

Confirmed by

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Agneta Halldén

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Gunilla Hesselmark

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*When the respondent submits the final proposal for decision by the Director General, a separate memo, addressed to the Director General, shall be attached. The memo shall state how the recommendations by the PC have been adhered to. A copy of this memo shall be sent to the PC Coordinator.*

SAREC  
Hannah Akuffo PhD

2005-03-02

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### Discussants comments on Assessment Memorandum for the "Health Nutrition and Population Sector Programme (HNPS) in Bangladesh, 2005-2010

This is a very big sector programme where Sida's contribution which amounts to 2.12% of the total programme amounts to 100 million SEK per year for 5 years. Such a large programme with many components is not easy to describe in a concise manner in 30 pages. This means that there are a number unclear matters that would need further explanation in order for the Project Committee to be able to adequately evaluate the assessment memorandum.

The many acronyms, some used only once, makes reading and comprehension difficult in this very multi-faceted programme. Sometimes the use of the same abbreviations for two different things such as PPP to mean "Public, Private Partnership" as well as "Preliminary Project Proforma" complicates matters further.

#### Issues requiring clarification

Is there a current PRSP or not? Is it undergoing revision? Sometimes reference is made to I-PRSP. What is the time span of the current PRSP? What are the main features?

Performance based financing: This appears to be a crucial mechanism to be used to ensure good performance. The assessment memo does not clearly outline the mechanism for this and does not analyse the benefits and risks of this method. This needs further clarification. Are there several levels of performance based assessment 1) at governmental level 2) specific project level? A short explanation of the "categories" would be useful.

Improved Service Delivery: Essential Services Delivery has 5 components, four of which entail "Care" while one is on "communicable disease control". This later is difficult to understand in this context. What does it entail? Is it education, insect control, use of insecticides, prophylaxis such as immunisation? It is rather vague. Control measures can be complex and can lead to other problems and environmental consequences and ought to be explained a bit more.

The table on page 17 has notes that do not refer to anything in the table. In addition, user fees are in the table but no allocations given for it and it is not commented upon. Does this suggest that "user fees" are not an option? If not it would be of value to have some analysis of this potentially important source of revenue for the Government and an assessment of the consequences of not including such resources? If on the other hand the decision is based on pro-poor strategies this should also be outlined.

It is unclear how the diagram on page 18 and the table on page 18 are reconciled. The diagram would suggest that the funds enter the Government budget system. This is supported by the statement on page 21 that "*The DP financing will be channelled through the regular GOB systems*". However other parts of the memo do not suggest this. If the funds do go into the Government coffers, even with ear-marking, how is fungibility avoided? How do these measures and the performance-based additional financing affect the budget planning by the Government?

**Pool trust fund** managed by World Bank: Some short description of what this entails would be useful.

#### Cryptic and unclear statements that need clarification

Throughout the text cryptic and sometimes vague comments are made without expansion e.g. "*In Bangladesh, poverty is wide spread. Improvement of health systems through a sector wide approach will significantly help reduction of poverty in the country*" How do you know this? Is there evidence for this from the experience to date?

- What does "... a failed unification attempt" mean? This is apparently an important issue but it is unclear for the reader to fathom.

- It is unclear what the relationship of the Programme Implementation Plan (PIP) to the Preliminary Project Proforma. The diagram on page 13 does not clarify the matter adequately.

Reducing the burden of HIV/AIDS, TB and Malaria: This is mentioned several times. It is unclear if this is being financed in parallel by the Global Fund for HIV/AIDS, TB and Malaria. Both HIV/AIDS and TB are addressed in the assessment memo, but malaria is not considered. What is the rationale for this? Millennium Development Goals: Some strange indicators e.g.

- Have halted by 2015 and began to reverse the incidence of malaria and other major diseases" with indicator "Proportion of new TB detected.."

### Previous experience

It is stated more than once that the political willingness must be carefully analysed before development partners embark on supporting the health sector. What is not outlined was what was achieved to date since Sida provided support to the health sector since 1972 and specifically within the last agreement period. It is important for completeness to have this perspective. A short summary of the level of Sida support to the health sector in Bangladesh to date would be useful.

### Sector wide Approach (SWAp)

Is there experience of SWAPs in Bangladesh other than in health?

There is some lack of clarity in terminology in terms of what is being supported by Sida: a Sector Programme support or a Sector wide approach. Is Sida supporting a specific programme within the whole health sector support? What of the activities of the Ministry of Health and Family Welfare (MoHFW) programme is not covered by the Health, Nutrition and Population Sector Programme (HNPS)?

### Ownership by the Government

It is stated that the "*Government of Bangladesh has demonstrated a satisfactory commitment to the SWAp paradigm so far*". What does this mean? Is the SWAp something that the Government wants or is it something pushed by the Development Partners?

"... *Government prepared an Action Plan for Reform Agenda in June 2003 and was approved by the Development partners for financing*" Whose plan was it?

Experience from the previous health programme seems to indicate that there was not enough Government ownership of the process. There is an attempt to improve this. Later on in the memo (page 8) there is a section that tries to argue that there is strong ownership of the new programme. It appears evident that the new programme preparation with the various stakeholders and with a long term strategy, the government is more fully involved in this programme. However, the way the programme is organised does not seem to suggest this view fully. There may be very good reasons why the whole management of the programme appears to be organised outside the regular ministry (MoHFW). However, this is not fully outlined in the assessment memo.

It is unclear why if the Preliminary Project Proforma is an instrument within the Government system why it was "*a prerequisite for the formal negotiations between the Government and the World Bank on the programme*".

Considering that this programme apparently forms 92% of the MoHFW activities, it is difficult to understand what the staff of the Ministry will be doing when the finances are managed by the World Bank, there is a Programme Support Office manned by externally recruited individuals, the Management Support Agency is also externally recruited and the internal audits are performed by external persons. What is left for the ministry? How is capacity to be built within the ministry in the long term using this model of operation?

The Financial Management Improvement Plan is aimed to enhance the financial management capacity in Bangladesh. This important plan which can be anticipated to have a strong impact on dealing with **corruption** is outlined briefly in the assessment memo. It indicates outsourcing but there is no analysis of how this important plan will be implemented within the Ministry itself. What are the time lines for this plan? It is also not explained how this plan will be used to build the capacity in the Ministry. It is stated however, that "*the creation and existence of the programme support office will be a condition for effectiveness of the IDA credit and continued pooled development partner support.*" An assessment which justifies these conditions and discussion of how this mode of support will build up the capacity of the staff within the sector would be useful.

### Strategic assessment

What is the comparative advantage for Sida to continue to support the health sector even after so many years of support? An analysis of why it is important to continue in this sector would be desirable.

The HNPSP apparently constitutes 92% of the MoHFW annual budget. What are the considerations made by the Consortium not to fund the other 8% of the budget?

There has been a decline in public expenditure to the public health. What was the basis of the decline in expenditure to this sector? Is it based on change in priority? Which sector has benefited instead? What is the analysis behind the development partners' decision to "cover the gap" when the government has chosen to prioritise other parts of the budget?

Why is the support to the "National Menstrual Regulation programme" a separate project? On page 11 it states that "the MoHFW is an active member of the co-ordination committee for the menstrual regulation NGOs in Bangladesh". What are the reasons for not having this incorporated in the health nutrition & Population Sector Programme?

It is suggested that "Sida will consider providing technical assistance to reinforce the programme support office and management support agency". It is unclear however, if this will be additional to the agreed support of the consortium. The rationale for such additionally (if it is that) is also not analysed.

### Monitoring and baseline

Description of the Health sector: Comparisons are made but it is unclear which years are being compared. It is stated that the trend is that a number of health indicators are improving. Are the indicators that are chosen to be monitored in the current programme really focused on the issues that remain a challenge such as acute respiratory infection, diarrhoea (as listed on page 5)? Despite the statement that "...the country's health indicators can now be compared favourably with most countries in the region", another statement is made soon after "Bangladesh has one of the highest rates of low birth weight and malnutrition among children and women in the world" and "the immunisation rates have not improved significantly". These statements appear to be contradictory and it is thus unclear what the baseline from which the indicators will be assessed is.

Consultants are to be used to recommend the proportion of funds to be disbursed after Annual Programme Review based on performance criterion. The indicators, of the performance criteria associated for year one, are listed in the assessment memo. Details of the specific levels to be attained are presented in the annexes. However, as written in the assessment memo it is unclear what the measurement for success is. What percentage increase? Are these consultants to be used some sort of monitoring team?

"The management information system will be complemented by independent evaluation and operational research as appropriate." It would appear appropriate to explore the possibility of utilising the resources of the Sida/SAREC supported ICDDR.B which has a longitudinal demographic surveillance site in pursuing some of these studies.

### What are the dialogue issues?

Certain statements are made and it is unclear if this is part of the plan, an assessment of the programme or dialogue issues.

Health service supply:

- "Medical institutions and hospitals can be set up by the private sector with certain tax concessions"
- "There is a pressing need to better address the health needs of the poor people by targeting consumption subsidies and restructuring allocation mechanisms based on population and poverty indices"
- "Dynamics of public and non public health service provisions: "Given the multiplicity of providers and the preferences of consumers for privately provided services, the GOB should consider de-linking its purchasing and providing functions for specific HNP service where it lacks a comparative advantage".

Quality health care:

- "Developing feasible and acceptable strategies for regulating and enforcing regulation on quality, volume and price is critical for health sector".
- "The proposed scaling up of the training of community health workers and skilled birth attendants is highly commendable". Who thinks so?

- *"Increased allocation of funds to the emergency obstetrics care programme is also appreciated".* By whom?

Which are **Sida's main dialogue issues**? This is not clearly reflected in the assessment memo. How are they reflected in the agreement or other binding documents?"

#### **Other issues**

The Health, Nutrition and Population **Consortium**: It is unclear if the consortium represents **ALL** the funding that goes into the health sector. Are there organisations which support the health sector which lie outside the consortium? Regarding the leadership of the consortium, how often is there rotation? When is it anticipated that Sida will chair this? If it is within the proposed five year period, what provisions in terms of capacity at the Embassy has been made for this?

**Agreement**: The draft agreements were received by e-mail on the 2<sup>nd</sup> of March. The draft decision has not been received as at writing these discussion points.