

MINUTES OF MEETING

HEALTH FINANCING DEVELOPMENT PARTNERS

WHO Conference Room

03 November 2013, 01:30-04:30 PM

0	Agenda	
		<ul style="list-style-type: none"> • Introduction and welcoming of new participants by Dr. Katayama • Presentation of Social Protection initiatives by organization • Updates on HCFS Implementation Plan • Proposed Coverage of Ready Made Garment Workers (RMG) • AOB
1		Introduction
		<p>Dr. Katayama from WHO chaired the meeting and welcomed all the development partners to the special technical session on social protection and health financing. The meeting was organized to exchange about the National Social Protection Strategy (NSPS) and process of development, current SP initiatives and the role of concerned agencies. An update on Health Care Financing Strategy Implementation Plan, including the concept for social health insurance coverage of RMG workers was also presented.</p>
2		Social Protection – Concepts, Principles and DP Support
	Presentations	<p>Organizations which are actively engaged in social protection were invited to provide an update on their respective activities. The following organizations made a presentation/provided an input during the meeting: <i>(PowerPoint presentations are available in the DP Consortium website)</i></p> <ul style="list-style-type: none"> • DFID: Mr. Naved Chowdury, Poverty and Social Protection Adviser, presented Social Protection in Bangladesh. He highlighted the various definitions and strategies of SP, role of SP in poverty reduction and inclusive economic growth, some international best practices, SP in the Bangladesh context and the role of development partners. <p><u>Current situation of social protection in Bangladesh:</u></p> <ul style="list-style-type: none"> ○ Bangladesh has a wide range of public “social safety net” programmes. US\$ 2.9 billion for FY2012/13 amounting to 2.2% of GDP. ○ The current safety net portfolio includes 95 schemes- fragmented across various sectors, geographical areas, ministries, overlapping objectives and beneficiaries.

- Developed in an ad-hoc fashion to respond to a crisis or an emerging need. No strategic thinking.
- SP schemes- protect poor and vulnerable families, individuals from various vulnerabilities and risks, respond to the changing demography and the fiscal constraint.
- Evidence- significant scope for improving effectiveness and efficiency of current SP programmes through better targeting-transfers reach the intended beneficiaries, minimal leakage through strengthened administration, improved management information systems and enhanced coordination.

Bangladesh Strategy on SP:

- Goals: Increase coverage
- Implementation: Improve quality of systems (evidence, accountability)
- Institutionalisation: Move from programmes to systems
- Financing: Sustainable financing
- Innovation – better results, new challenges
- M&E: continuous learning

Role of Development Partners:

- Increase coverage-for particular groups–need context-specific creative approaches
- Move from programmes to systems-Align with NSPS
- Contribute to inclusive growth and Zero Extreme Poverty
- Improve quality of systems (VFM, evidence, accountability)
- Sustainable financing- learning on tax policy and subsidy reform (learning from Latin America) to leverage domestic resources
- Innovation – Research, Capacity Development, M & E, Best Practice, Global Learning

The presentation of DFID covered most of the basic principles and concepts of SP and the current SP situation in Bangladesh. To avoid duplication, the presentations of other development partners who are jointly working in this area were shortened to focus on other aspects that were not discussed previously.

- **UNDP** – Ms. Majeda Haq provided an overview of UNDP support in the NSPS development process while Dr. Bazlul Khondker made a presentation on NSPS proposals, fiscal space and focus over the short term and long term. Ms. Majeda informed the group that there are currently 22 ministries which are implementing SP projects that result to fragmentation. UNDP has started its

support to the development of national strategy in 2008 and reaffirmed the commitment of the government during the SP workshop supported by UNDP in 2011. The Government has requested for the development of a roadmap and financing support in post-strategy for effective implementation

Moreover, she mentioned that there are 3 critical success factors for social protection to work: reach the poorest, has developmental impact and government ownership. UNDP supports policy development, system strengthening and innovation mechanisms. She introduced and requested Dr. Bazlul Khondker, consultant for the NSPS from PRI/SANEM, to provide an overview of NSPS.

Dr. Bazlul reiterated the definition of SP and its 2 main aspects – shocks and stresses which are one-off /short term and during life-course (childhood, disability, old age, etc.). The NSPS will focus in supporting the transition of Bangladesh towards its goal of achieving middle income country (MIC) status by 2021. The social protection agenda will have a gradual shift from ‘need’ based approach to ‘rights’ based approach and shift towards ‘life cycle’ approach to mitigate life cycle risks (building on the current programs and rationalizing it).

In the short and medium term, NSSP will emphasize the need for better targeting, new researches to improve knowledge gaps and design of SP programmes and fiscal space for SP would be enhanced through higher allocation, reduction of leakages and rationalization of programmes.

Preliminary findings of the Fiscal Space Study conducted by SANEM revealed that:

- Bangladesh would be able to afford full coverage (poor and near poor) around FY15.
- SP programs with full coverage and doubling transfer amounts may be affordable by FY17.
- Bangladesh should be able to afford the SP strategy outlined in NSPS within a reasonable time frame.

Budget for SP is projected to increase from 2.2% of GDP in FY 2014 to about 3.5% in 2021

- **Australian Aid** –Social Protection Momentum in Bangladesh was presented by Shashwatee Biplob, Senior Program Manager, Australian High Commission. She mentioned that the following issues are constraining SP outcomes: Number of programs, Size of Transfers, Leakages and corruption, Duplication, Exclusion/ Inclusion Errors, Sector Governance and Evidence of Impact. While poverty rate in Bangladesh halved from 1991 to 2010, it is still high at 31.5% of population, translating to about 47M poor people. Also, it is important to note that the difference in level of per capita consumption of the 3rd and 8th decile of the population is not great.

The scope of social protection in Bangladesh is supported in Article 15 of the

Constitution which states that:

*“It shall be a fundamental responsibility of the state to attain.....the right to social security, that is to say to public assistance in cases of undeserved want arising from **unemployment, illness or disablement**, or suffered by **widows or orphans** or in **old age**, or in other such cases.”*

Likewise, in the Sixth Five Year Plan (2011), SP spending to increase to 3% of GDP by 2015 and the Government has resolved to develop a National Social Protection Strategy (NSPS) by February 2014.

The development of NSPS is led by a 12 member inter-ministerial committee, Cabinet Secretary as Chair and General Economics Division of Planning Commission as Secretariat. A high level SP Study tour to South Africa and Nepal was undertaken for the members and a consortium of South Asian Network on Economic Modelling (SANEM) and the Policy Research Institute (PRI) was contracted to help in drafting the NSPS.

Next steps for the NSPS are as follows:

- Finalizing the 10 background papers
 - Zero draft of NSPS by 31st October 2013
 - Comments will be sought from different ministries/ divisions, experts, CSOs, think tanks, DPs.
 - Regional (Nov.) and National (Nov. & Dec.) dialogues will be held
 - SP sub committee meeting on the revised draft
 - Central Monitoring committee Meeting to Finalise the draft
 - Process for approval by the competent authority
- **World Bank** –Ms. Iffath Sharif, Senior Economist , made a presentation on Bangladesh: Improving Coherence Across Social Protection Programs. Towards this end, the recent steps taken by Government include: A national social protection strategy, A unified targeting system to improve program level coordination, Consolidating the implementation of three of the largest public workfare programs, Initiating labor market programs to promote overseas migration , Scaling up a conditional cash transfer, pilot focused on child nutrition and development using common administrative platforms (beneficiary selection, payments, grievance redress mechanisms, etc.) The WB portfolio include:
 - **Safety Net Systems for the Poorest Project (SNSP)** - \$500 million (2014-2017) to support the implementation of major safety net programs (EGPP, FFW, VGF, TR and GR) and the development of Poverty Database for improved targeting
 - **Employment Generation Program for the Poorest Project (EGPP)** - \$150 million (2011-2014) to provide short term employment during lean seasons to vulnerable groups and strengthen program

	<p>implementation</p> <ul style="list-style-type: none"> ○ Disability and Children at Risk Project (DCAR) - \$35 million (2009 - 2014) to expand coverage and quality of social care services for the disabled and children at risk ○ Safe Migration for Bangladeshi Workers with support from Japan – \$ 2.7 million (2014-2016) grant to provide information and training to potential migrants via community-based organizations to reduce dependence on middlemen ○ Shombhob CCT Project – est. \$200 million nutrition-sensitive CCT project under preparation following the completion of \$2.8 million grant-financed pilot CCT ○ Technical Assistance with partial support from DFID/AusAid (2013-2015) – analytical activity to support dialogue on (i) on consolidation of SSNs based on expenditure analysis ; (ii) reform of the Public Food Distribution System, and (iii) labor market interventions needed to respond to the demographic transition and youth employment (e.g. skills for informal sector, overseas migration) <p>World Bank’s strategic priorities are in the areas that aim at : Improving the quality of social protection expenditures, Fostering the use of IT for transparent delivery of services, Promoting Evidence Based Policy Making,</p>
<p>Discussion and Comments</p>	<p>Dr. Katayama, WHO, highlighted the commitment of the government to SP and the importance of coordination in the on-going process of strategy development. In particular, he mentioned the availability of fiscal space for SP coverage in 2017 and the need for integration of social health protection/health financing in the national strategy. He welcomed comments and questions from the participants:</p> <p>The WB representative asked about the coordination mechanism across ministries and how to strengthen it, especially engagement of health sector; perspective on supply side issues; governance; decentralization and fiscal space scenarios.</p> <p>The EU representative requested for the assumptions and process of calculating the fiscal space.</p> <p>The DFID representative expressed that SP is a political tool and pointed out that DPs are also guilty of fragmenting the system, not only the government.</p> <p>The Australian Aid representative appreciated the SP definition and strategies. He wanted to know how the health sector will get to speed with the development of SP and ensure coherence of health financing strategy with the SP strategy.</p> <p>The GIZ representative would like to explore the extent of understanding of people regarding universal health coverage which is the approach in health. He suggested to further debate on the approach to SP -universal vs. targeted.</p> <p>On the WB presentation which came later in the meeting, there is a common</p>

	<p>interest on the development of a poverty database under the Ministry of Planning, Statistics Division. The group was informed that the design and actual development of the database is on-going but expected to be operational in some districts by 2015</p> <p>The Australian Aid representative inquired about the pay off for the development and maintenance of a database. Also what rate of leakage is acceptable?</p> <p>The WB presenter informed that 40 million USD over 4 years for the development of poverty database will be available. There are efficiency gains that can be done to improve the performance of the system. Proxy means test will be done because Means test is expensive but regular updating is needed.</p>
<p>Action points</p>	<ol style="list-style-type: none"> 1. Strengthen coordination between NSPS team and health sector partners. (HF Resource Task Group , UN Thematic group, LCG SP and the government) 2. DFID and Australian Aid will liase with the Cabinet Secretary regarding inclusion of health in the inter-ministerial SP committee. 3. Share the HF Strategy with the social protection group through UNDP. 4. SP background papers and studies will be shared by UNDP for comments as soon as drafted (Nov 7)
<p>3</p>	<p>HCF Strategy and Implementation Plan Updates</p>
<p>Discussion & Comments</p>	<p>Dr. Olivia Nieveras from WHO presented the updates on HF Strategy Implementation plan (Please refer to the presentation).</p> <p>With HCFS as a starting point, the initial phase of implementation is from 2014 to 2017. Schemes will be implemented for all segments of the population beginning with the poor in 1 district (SSK), civil servants and RMG sector for the formal sector and continued coverage of informal sector above poverty line under microinsurance schemes/CBHI. These schemes will be closely monitored, evaluated and fine-tuned in 2018 for scaling-up under a unified national health insurance scheme in 2019.</p> <p>Implementation platforms include policies and frameworks, organization, communication, capacity development, health system efficiencies and M&E. In general, there is good progress in the activities planned for the period July-December 2013 under the leadership of HEU. There is however a recognized need to conduct researches and studies to inform the design of the SHP scheme in Bangladesh and effective implementation of HCF Strategy. In this regard, she presented several areas requiring technical support, such as baseline on catastrophic spending in health, costing of health services, pilot implementation of resource allocation formula, etc.</p> <p><u>Discussion/Comments</u></p> <p>The USAID representative requested for clarification on fiscal space study.</p> <p>The JICA representative wanted to know the rationale for coverage and the manner of fund management and pooling across the schemes. The presenter answered that the coverage approach is phased-in and progressive beginning with the poor and</p>

		<p>formal sector. As the government is still in the early stage of design process, there is a general agreement on a single fund pool, how to operationalize this will still need to be studied and decided building on best practices and principles. Capacity development in this area will be undertaken. The GIZ representative highlighted the design of the RMG scheme during the initial phase.</p> <p>The WB representative proposed for a broader discussion on HF issues beyond HEU to include other units, departments, high-level officials in MOHFW and other ministries. This is important especially with the upcoming mid-term review of the sector; the HCFS needs better leverage and should be included in the mid-term review. She has also expressed concerns on some assumptions made on the SSK. Lastly, she requested for more active sharing of documents on HF.</p>
	Action Points	<ol style="list-style-type: none"> 1. Strengthen efforts in generating consensus and buy-in of stakeholders on the HFS especially senior level officials in MOHFW and MOF – communication strategy 2. Communication Strategy will be presented in the next meeting 3. Support areas requiring technical assistance – DPs to provide comments/inputs on the proposed areas/studies and coordinate possible funding support.
4		HEU Organizational Workshop/RMG SHI Scheme Concept
		<p>Mr. Moazzem Hussain from GIZ reported on the outcome of the Organizational Workshop conducted with HEU DG, technical staff and some DPs. The stakeholder mapping shows an internal view of the HEU on the multitude of partners in HF implementation. One of the conclusions during the workshop was the important role of DPs in the future status of HEU as the main research and policy arm of the sector. A longer workshop was proposed to discuss and update the OP.</p> <p>On the proposed pilot for private salaried sector, he presented some facts and figures on the RMG sector, the importance of providing social health protection to this group and preliminary design of the scheme.</p> <p><u>Discussion/Comments</u></p> <p>The representative from JICA raised the issue of intricate design and complex management to meet the demands of the workers.</p> <p>The GIZ representative informed that in Europe, consumers and international buyers would like to support decent work. Fair trade seal or logo for garment factories will be a way to attract additional business. He agreed that more discussions are needed and some modifications in the design will make it work.</p> <p>The UNDP representative commented that the model is nice in theory but implementation might be difficult. He cited the example of a worker who usually</p>

		finish his/her job after 10 pm and therefore cannot avail of health services from public providers (preferred provider for the scheme), mostly private providers are open at this time.
	Action Points	<ol style="list-style-type: none"> 1. UNDP will share available studies on garment sector with GIZ 2. Further development of the RMG concept in line with the principles of HFS and UHC
5		Closing Remarks
		<p>Dr. Katayama thanked all the presenters and participants for their active participation and sharing of ideas. Next meeting is tentatively scheduled on 24 November 2013. Agenda will include experience on health financing mechanisms in Bangladesh (DSF, P4P), communication strategy, SSK and other items to be proposed.</p> <p>The Aus AID representative found the session informative and useful, and thanked WHO for organizing it. Together with other DPs, he expressed the need for a technical platform for discussion on health financing issues and proposed for more similar sessions in the future.</p>

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Special Session on Social Protection
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03 Nov 2013, 01:30-05:00 PM

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7	Habibur Rahman	KfW
8	Md. Abdus Sabur	UNDP
9	Majeda Haq	UNDP
10	Shukhrat Rakhimdjnov	UNICEF
11	Francisco Katayama	WHO
12	Olivia Nieveras	WHO
13	Arifuzzaman Khan	WHO
14	Greg Adams	USAID
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16	Jacqueline Mahon	WB
17	Iffath Sharif	WB
18	Syed Moazzem Hussain	GIZ
19	Jan Borg	AusAID
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