The Daily Star
FOUNDER EDITOR: **LATE S. M. ALI**

Make healthcare affordable for all

Govt must improve public healthcare to reduce out-of-pocket expenditure

It is deeply concerning that seeking medical treatment has become a source of financial distress for many people in the country. A recent government study has found that out-of-pocket (OOP) healthcare expenditure pushed 1.08 crore people, or 6.4 percent of the population, below the poverty line in 2022. According to the study, 41.7 percent of the population faced financial hardship due to medical expenses that year, up from 28.2 percent in 2005. These findings once again highlight the serious failure of our public healthcare system to provide citizens with affordable access to essential medical services.

This increase in OOP expenditure comes despite a substantial decline in the national poverty rate, from 40 percent in 2005 to 18.7 percent in 2022. Understandably, the poorest households bear the greatest burden, with 90.8 percent of people in the lowest income group facing financial hardship due to medical expenses, compared with 13.6 percent among the wealthiest. Rural residents are also disproportionately affected, with 47.9 percent facing financial hardship, against 28.2 percent in urban areas. A recent assessment found that the measles outbreak pushed thousands of poor families into debt, with nearly 9 in 10 affected households forced to borrow for treatment. The dengue outbreak has also placed many families under severe financial strain.

Healthcare costs are rising faster than household incomes: between 2016 and 2022, household incomes increased by 38 percent, while healthcare expenditure rose by 43 percent. Medicines, diagnostic tests, hospitalisation and consultation fees account for a substantial share of these expenses.

The reasons behind this growing burden are not difficult to identify. Healthcare costs are rising faster than household incomes: between 2016 and 2022, household incomes increased by 38 percent, while healthcare expenditure rose by 43 percent. Medicines, diagnostic tests, hospitalisation and consultation fees account for a substantial share of these expenses. They can be particularly devastating for people who need regular treatment and medication. Another worrying trend is the growing reliance on pharmacies for treatment. The proportion of people turning to pharmacies for healthcare rose from 32.5 percent in 2016 to 55.4 percent in 2022. This suggests that many people are either unable to access proper medical care or are turning to pharmacies because public facilities are inadequate. Meanwhile, the share of patients seeking inpatient treatment at government hospitals has declined, while reliance on private facilities has increased, further adding to the financial burden.

Our long-standing failure to strengthen primary healthcare is at the root of these problems. Understaffed public hospitals, inadequate upazila health complexes, and insufficient investment in community-level services compel many patients to seek treatment elsewhere, often at much higher costs. The latest study raises concerns that poorer households are no longer benefiting adequately from public healthcare spending.

The government must therefore reform the healthcare sector and ensure that public funds reach those who need them most. Better monitoring, transparency and accountability in the allocation and use of healthcare resources are essential to curb irregularities and corruption in the sector. At the same time, public hospitals and primary healthcare facilities must be adequately staffed and equipped, with reliable supplies of essential medicines and diagnostic services, so that patients are not forced to pay for them elsewhere.

Don't turn fruits into a luxury

Excessive import duties are taking fruits out of ordinary people's reach

The prices of fruits in the country have risen to a point where even middle-class families are struggling to afford them. For low-income households, these essential sources of vital nutrients have increasingly become a luxury rather than part of a balanced diet. A recent report by *Prothom Alo*, citing findings from the Bangladesh Trade and Tariff Commission (BTTC), describes how successive increases in import duties and taxes have contributed to this situation. It is troubling that the government effectively treats fresh fruits as a luxury, prioritising revenue collection over people's nutritional needs.

According to the report, the combined tax burden on imported fruits, such as apples, oranges, grapes, pears and pomegranates, has increased from 89 percent in FY2020-21 to 122 percent in FY2026-27. For instance, in Dhaka, a kilogram of the "malta" oranges that cost Tk 120-150 per kg in July 2020 sold for Tk 420-450 in September 2026. Other imported fruits have witnessed similarly steep price increases.

Unfortunately, locally grown fruits offer little relief. Four Sagor bananas, which cost Tk 20-25 in July 2020, now sell for Tk 40-50. A kilogram of guavas costs around Tk 120, while good-quality ripe papayas sell for around Tk 120 per kilogram. For low-income families, even these relatively common fruits are becoming difficult to afford. Market analysts suggest that reduced imports of foreign fruits have weakened competition, allowing domestic fruit sellers to charge higher prices. However, rising production, transportation and marketing costs also deserve scrutiny. What makes the situation particularly disturbing is that government revenue from fruit imports increased from Tk 2,570 crore in FY2020-21 to Tk 5,938 crore in FY2025-26, even as import volumes shrank from 800,000 to 571,000 tonnes. Although the depreciation of the taka has also contributed to higher prices, the tax burden remains a major factor.

The World Health Organization recommends a daily intake of at least 400 grams of fruits and vegetables combined. In Bangladesh, the average per capita fruit consumption stood at just 95.4 grams in 2022. Although the latest update regarding fruit consumption is not available as no Household Income and Expenditure Survey has been conducted since 2022, one could safely assume that it has declined. The government must promptly act on the BTTC's recommendation to reduce import duties on fruits. Meanwhile, authorities must investigate the factors driving domestic fruit prices, improve supply chains, reduce unnecessary intermediary costs, and strengthen market monitoring. Ensuring affordable fruits, whether imported or locally grown, must be treated as a public health priority.

We must use the LDC extension for lasting economic gains

MACRO MIRROR



Dr Fahmida Khatun is an economist and distinguished fellow at the Centre for Policy Dialogue (CPD). Views expressed in this article are the author's own.

FAHMIDA KHATUN

On Thursday, the United Nations General Assembly (UNGA) approved a three-year extension for Bangladesh to prepare for graduation from the Least Developed Country (LDC) category, rescheduling it for November 24, 2029. Now the country has more time to strengthen its preparations to continue retaining international support and trade benefits that LDCs get. However, time extension alone cannot overcome the economy's weaknesses if it doesn't employ targeted, tough measures. The country must use this opportunity to implement meaningful reforms.

The Committee for Development Policy (CDP) reviews the LDCs' progress every three years against three criteria: per capita gross national income, the Human Assets Index (HAI), and the Economic and Environmental Vulnerability Index (EVI). A country must meet the required thresholds in two consecutive reviews to be considered for graduation. Bangladesh first met the graduation criteria in 2018, and again in 2021. The CDP subsequently recommended Bangladesh for graduation. Given the economic and development losses caused by the Covid pandemic, the UN granted Bangladesh, Lao PDR and Nepal an exceptional five-year preparatory period to prepare for a smooth transition. A UNGA decision in 2021 set Bangladesh's graduation date at November 24, 2026. Thursday's decision extends the preparatory period for Bangladesh and Nepal by three more years.

The extension gives Bangladesh an opportunity to address gaps in its preparations and implement plans to meet the challenges that will follow graduation. During the preparatory period, some international support and trade benefits associated with the LDC status may continue under the applicable rules, but their nature and duration will vary across markets. The country should engage early with its major trading partners to clarify tariffs, rules of origin, and post-graduation market access arrangements. This is essential to remain competitive in the global market. Preferential access can help, but it cannot indefinitely offset high logistics costs, unreliable energy, slow customs procedures, low productivity, or limited product diversity. Bangladesh needs to improve port and transport efficiency, reduce production delays, strengthen labour and environmental standard compliance, and help firms shift towards higher-value product manufacturing. Exporters should also be provided with support to meet rules of origin and technical requirements at lower costs.

Trade agreements are one part of this adjustment. Bangladesh has signed a few trade agreements, among which the Economic Partnership Agreement with Japan and the Comprehensive Economic Partnership Agreement with South Korea are positive steps. It should pursue more such agreements with key trading partners based on careful assessments of the markets, sectors and terms involved. Besides tariffs, these deals should also cover services, investment, customs, standards, rules of origin, digital trade, and technology cooperation. Of course, the success of these trade agreements will depend on the actual export growth, use of preferences, investment, technology transfer, and local firms' participation.

In this context, the need for diversifying exports beyond ready-made garment (RMG) products cannot be stressed enough. Bangladesh should expand production and exports of pharmaceuticals, leather goods, processed agricultural products, light engineering goods, and information technology services as well. This will require compliance with international standards, a skilled workforce, reliable energy, improved transport, and lower business costs. Access to finance and technology can help small and medium-sized enterprises enter new markets.

To this end, the commerce ministry should take the lead in formulating a national plan, in collaboration with the finance ministry, the National Board of Revenue (NRB), export agencies, businesses and workers, to address reciprocal tariffs and other trade barriers imposed by the trading partners. The plan should identify the products, firms and jobs most at risk and guide negotiations to secure predictable access to key markets. Before signing any trade agreement that includes tariff reductions, the government should assess its impact on local industries, employment, consumers and public revenue, and negotiate appropriate transition periods and/or safeguards. If energy, transport, ports, customs and finance are expensive, exporters cannot reduce costs on their own. The government should improve these services and give firms better access to finance, technical advice, worker training, and quality certification. With this support, businesses can upgrade machinery, adopt energy-efficient technology, reduce waste, improve productivity, and develop products for a wider range of markets.

Bangladesh also needs to reform import taxes. The government depends heavily on these taxes, but high duties and additional charges can raise the cost of raw materials and machinery for exporters, increasing production costs and making it harder to compete abroad. Tariffs should be rationalised gradually and predictably under a clear medium-term plan that removes unnecessary layers and aligns duties more closely with production and export competitiveness needs.



VISUAL: **SALMAN SAKIB SHAHRYAR**

However, sudden cuts could create a revenue shortfall. The government must strengthen income tax and VAT collection, broaden the tax base, and improve tax administration to ensure that reduced reliance on trade taxes does not undermine essential public spending. It should also promptly refund import duties paid on materials used to produce exported goods and make bonded warehouse facilities easier for exporters to access, allowing them to import eligible inputs without paying duties upfront.

Bangladesh's financing landscape will change as the country graduates and becomes a developing country. Some LDC-specific funds and flexibilities will become less available. Financing terms are already tightening. Bangladesh will need to rely more on domestic revenue and efficient public investment. It should exercise caution with external borrowing. Commercial borrowing from global markets may be available to finance projects with clear economic returns. But this will require strong project appraisal, debt management and transparent disclosure.

The country also needs a dedicated climate finance strategy to secure concessional funding for adaptation, resilience, and loss and damage, while strengthening project preparation and meeting the funders' requirements. Linking climate plans, budgets, and investment priorities can direct resources to vulnerable communities and essential infrastructure.

Preparing for stricter intellectual property rules is also critical. As the Trade-Related Aspects of Intellectual Property Rights (TRIPS) flexibilities for LDCs are phased out, the pharmaceutical industry and other sectors may face new legal and compliance requirements. Bangladesh should strengthen IP administration, trade law expertise, and research and development. It should also promote innovation and technology transfer, protect public health, and ensure access to affordable medicines. A phased plan will be required to give firms and public institutions time to adapt.

The extension for Bangladesh's LDC graduation preparatory period comes at a time when the country is facing difficulties in several areas. Macroeconomic stability should be the top priority now. Controlling inflation, increasing revenue collection, managing external shocks, and improving banking sector governance are essential to improve investment and production. Overcoming these challenges requires deep reforms. The country should also implement its smooth transition strategy to sustain export competitiveness, employment and development as LDC-related support and flexibilities are gradually phased out.

Schools can help address our playground crisis



Ruhina Binta A Ghani is a researcher in children's movement behaviours, active play, sleep, and fundamental movement skills, affiliated with Hong Kong Baptist University and BRAC Bangladesh.

RUHINA BINTA A GHANI

A recent report by *The Daily Star* on the disappearance of playgrounds and open spaces in Dhaka highlights a problem that is often treated as an urban planning issue. In reality, it is also a child health issue. According to Rajuk's Detailed Area Plan (DAP), at least 41 of Dhaka's 129 wards have no playgrounds or parks. The shortage is particularly alarming given that the city has only about 0.6 square metres of public open space per person, against the World Health Organization's recommended nine square metres. For children growing up in such an environment, opportunities for outdoor play are becoming increasingly scarce.

When children lose opportunities to play, the consequences extend far beyond recreation. Play is one of the primary ways children move, socialise, develop movement skills, and build emotional resilience. Yet for many children in Dhaka, particularly in densely populated neighbourhoods, opportunities for outdoor play are steadily shrinking.

My recent research involving primary school children in Dhaka found that many face significant barriers to active play, including safety concerns, limited access to suitable play spaces, academic pressures, and after-school tuition commitments. These concerns are understandable. In many parts of the city, children have few options beyond rooftops, parking areas, narrow lanes, or indoor environments.

The result is a generation spending more time sitting and less time moving.

This is particularly concerning because active play is not simply a source of exercise. Children who engaged in more active play in our study tended to demonstrate better movement competence and more favourable mental health outcomes. Active play was also associated with higher levels of physical activity and lower recreational screen use. In other words, play appears to support not only physical health but also social and emotional development.

When discussing solutions, the instinct is often to call for more parks and playgrounds. These investments are important and necessary. However, creating new recreational infrastructure requires time, land, and substantial resources. Dhaka's children need solutions now.

One practical solution may already exist within our communities: schools.

Bangladesh has achieved remarkable progress in school enrolment. Schools are among the few places that children access regularly and safely. Yet discussions about children's physical activity often assume that schools can contribute only if they have large playgrounds or sports fields.

Our pilot study suggests otherwise.

The intervention was delivered in a school that did not have a dedicated playground. Activities were organised using available school spaces, and children participated enthusiastically throughout the programme. Attendance remained high, enjoyment levels were consistently positive, and we observed encouraging changes in physical activity, active play participation, and movement skills.

These findings have important implications. Schools do not necessarily need large fields to promote active play. What they need is commitment, planning, and a willingness to view movement as part of children's development rather than as a distraction from education.

That does not mean academic concerns should be ignored. Many parents in our study worried about homework, tuition schedules, and examination preparation. Such concerns reflect the reality of family life in Bangladesh. But active play and academic achievement should not be seen as competing priorities. Children learn, socialise, and develop through movement. A childhood dominated entirely by classrooms, tutoring, and screens is unlikely to support healthy development.

The evidence suggests that school-based active play programmes can provide structured opportunities for movement while remaining compatible with educational goals. Importantly, children often continued playing the games introduced during organised sessions outside formal programme hours. This suggests that relatively simple interventions can have effects beyond the school day.

Parents must also be part of the solution. Reducing excessive screen use, encouraging outdoor play where possible, and recognising the developmental value of active play are all important. However, expecting families to solve the problem alone is unrealistic when many neighbourhoods lack safe and accessible spaces for children.

This is why city planners, education authorities, and local governments must work together. Investment in parks and playgrounds remains essential, particularly in rapidly urbanising areas. At the same time, schools should be recognised as valuable community assets that can help compensate for the shortage of recreational space.

A city where children have nowhere to play is a city that is limiting their opportunities to move, explore, socialise, and grow. Creating new play spaces may take years. Making better use of the spaces we already have can start today.

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