



WaterAid/ Fabeha Monir

# WASH allocations must match ADP growth to achieve SDG6

Pre-budget Press conference  
May 2024

# Highlights



- There has been a commendable upward trend in ADP allocation on WASH. But FY2023-24 observed a decline of 23% in WASH allocation (Taka 139.72 billion from Taka 182.28 billion of FY2022-23) though in revised FY2023-24 budget, the decline was slightly reversed by an increase of 7.22% (Taka 149.81 billion).
- Such fluctuation in allocations increases the gaps significantly between growth of WASH proportionately to the growth of GDP, National Budget, and Development Budget that ultimately reflects the gap between urban and rural - from 22.5% in FY 2021-22 to 27.7% in FY 2022-23. The rural-urban gap in WASH allocations broadly continued in allocations for FY2023-24.
- Growth in WASH allocations (5.44%) has not kept pace with growth in size of ADP (7.4%). Such less-than-proportionate growth in WASH allocations is likely to impact negatively timely realization of government's commitment to SDG6 and its National Priority Targets (NPTs), i.e., 100% Safe Drinking Water (NPT 17) and 100% Safely Managed Sanitation (NPT 18).
- Data show that the achievement as of 2021 is only 59% in respect of providing 100% Safe Drinking Water, and only 39% in respect of 100% safely managed sanitation (NPT18 and SDG 6.2.1).
- Besides rural-urban gap, intra-urban inequities in WASH allocations continue remain an entrenched challenge as does allocations against implementing agencies.
- Allocation trend for hard-to-reach areas – haor, hilly regions, coastal areas - has generally shown an upward trend with some contrasting features for FY2023-24 - major rise for coastal regions, slight rise for hilly regions but a decline for haor region.
- Allocation response to deal with Covid 19 pandemic and climate vulnerability has been a positive sign but allocations for equally important sub-sectoral priorities of FSM, waste management and capacity-building are not getting the required attention. These latter priorities also require a focus on community engagement for behavioral changes to deal with waste generation and FSM.
- There are 25 ministries/ divisions who have been identified as relevant for implementing projects to protect the environment, biodiversity, and other related adaptation programs from adverse impacts of climate change that also impact WASH targets. So far nine ministries have been active in implementing such projects but the number declined to 6 ministries in 2023-24.
- In the pre-covid year FY2019-20, 9 ministries together had climate finance allocations of BDT 18918.37 of which 2.6% (BDT 490.09 crores) had WASH-focus. In 2022-23, climate finance allocations for the 9 ministries increased to BDT 25,146.37 crores of which 5.32% (BDT 1346.59 crores) were on WASH-focus projects. In FY2023-24, number of implementing ministries on climate finance dropped to 6 with total allocation of BDT 18,867 crores of which 8.89% (BDT 1678.2 crores) had WASH-focus.
- An important emerging concern related to WASH is the unintended consequence of Government's policy on bringing urban facilities to villages. The policy focus here has been disproportionately on physical infrastructures without a parallel focus on coordinated public and private investment in managing fecal sludge, waste, supply of safe water and hygiene awareness.

# Key findings

From budget-tracking of ADP allocations on WASH for 2023-24



## 1 A big fluctuation in upward trend in ADP allocation

Long term trend in WASH ADP allocation up to FY2022-23 (Figure 1) shows commendable upward trend though analysis shows that the growth was not proportionate to the rate of increase in the overall ADP size. It is observed that the growth in WASH allocations is only 5.44% which is much less than the 7.4% growth in size of ADP. Such less-than-proportionate growth in WASH allocations is likely to impact negatively on the timely realization of government's commitment to SDG6. Thus, the proposed budget of FY2023-24 saw a decline of 23%. Fluctuations in ADP allocation for WASH sector were also observed in FY 2012-13 and FY2013-14. But downward fluctuation in FY2023-24 was almost one-fourth of the allocation in FY2022-23 despite a 11.8% rise in the size of the ADP in FY2023-24 (Taka 2.63 trillion) compared to revised ADP of FY2022-23. Such a budget cut creates difficulties in achieving the targets as well as fulfilling the commitment to providing 100% safe water and 100% safe sanitation. It may also be mentioned that in FY2022-23 the full budget allocated couldn't be utilized. The expenditure (FY2022-23) was Taka 124.47, as a result the revised budget was set at Taka 139.63, but that amount was not utilized in full. Similar things happened almost every year. During FY2020-21 due to Covid 19 revised budget was set to Taka 112.32 billion, but utilization was only Taka 70.06 billion only.

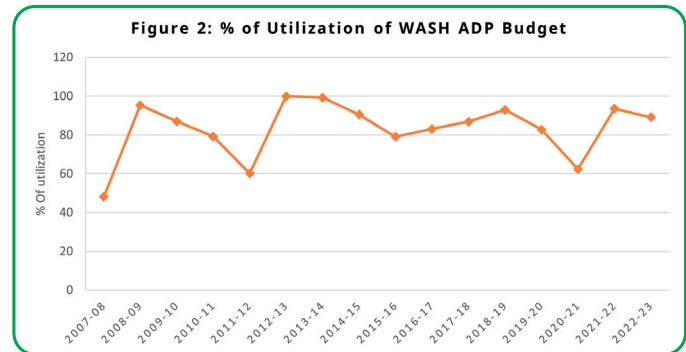


Figure 2: Long series data of failure of full utilization of WASH ADP budget.

## 2 WASH Sub-Sector allocation decreases compared to previous year

Sub-sectoral allocations show contrasting trends with decrease in sanitation, FSM, hygiene awareness campaigns and emergency response and disaster risk reduction projects while there is an increase in allocations for environmental projects addressed to climate change and capacity building projects (Figure 3).

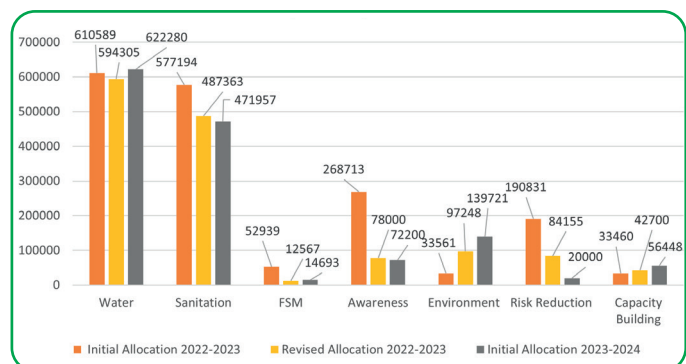
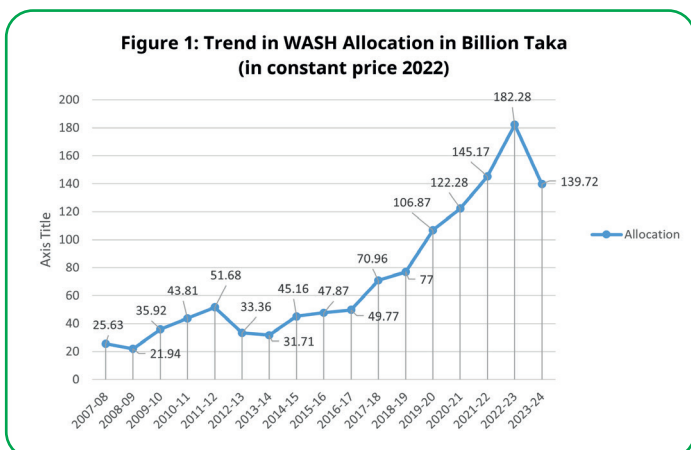


Figure 3: Comparison of proposed WASH sub-sectoral allocation with previous year (TK in lakh)



## 3 Contrasting trends in allocations for coastal, hilly, and haor areas

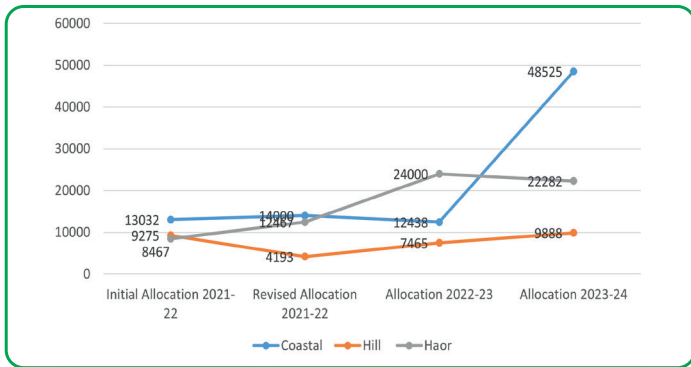


Figure 4: WASH Allocation in hard-to-reach area (Taka in lakh)

The three financial budget allocations shown in figure 4 have revealed that allocation in hard-to-reach areas doesn't follow a systematic path and doesn't maintain equity among these regions. The leap in coastal belt allocation in FY2023-24 happens due to some new projects undertaken in this area. From the previous year's budget analysis, we find that no equity was maintained among hilly, coastal and haor regions. Similarly, in FY2022-23 (Figure 5) we find a rise in budget allocation of haor region.

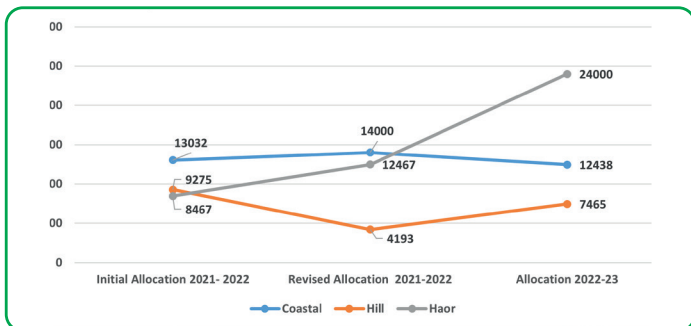


Figure 5: WASH Allocation in hard-to-reach area (Taka in lakh)



## 4 Rural-urban inequities in WASH allocation remains unchanged

The issue has been repeatedly raised over the years, but no change has been forthcoming (Figure 6).

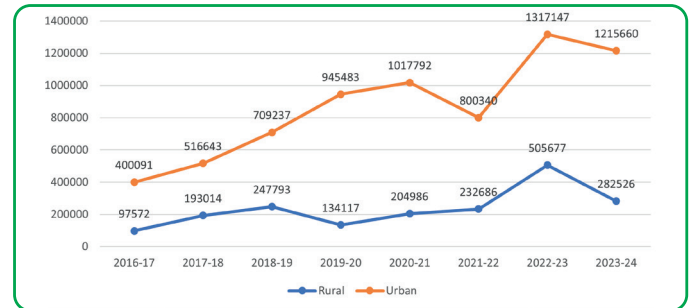


Figure 6: Trend in Spatial Allocation by Urban and Rural (Taka in lakh)

## 5 Continuation of disproportionate distribution of WASH ADP allocations

The WASH budget-tracking exercise has repeatedly brought into focus the entrenched problem of intra-urban inequities in WASH allocations. Unfortunately, ADP allocation of FY2023-24 (Figure 7) shows a continuation of this problem. It is observed that allocations are disproportionately tilted towards DNCC and Gazipur City Corporation. A more rational and equitable intra-urban distribution of the WASH ADP allocations is proposed once more.

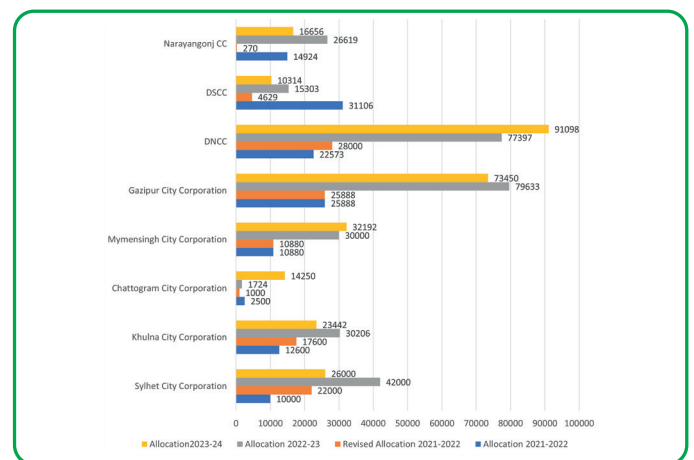


Figure 7: WASH Allocation and Revised Allocation by All CC (Taka in lakh)

## 6 A decrease in WASH ADP allocation for all four WASAs

Since cities are growing with the growth of their population ADP allocation for present four (4) WASAs should proportionately find an upward trend.

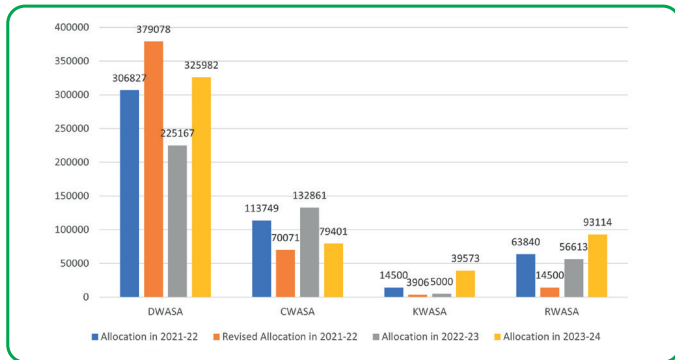


Figure 8: WASH allocation against 4 WASAs (taka in Lakh)

## 7 More initiatives needed to combat WASH crisis in climate vulnerable and disaster-prone areas

The Department of Public Health Engineering (DPHE) has been implementing projects on FSM, solid waste management and environmentally sustainable water supply projects in different parts of the country but those are on a very small scale – in 39 pourasavas. Dhaka WASA has undertaken a project, “Dhaka Environmentally Sustainable Water Supply Project.” These pourasavas are not climate vulnerable. Hence, questions arise about the selection process of those pourasavas. The government should implement such climate vulnerable projects in climate vulnerable and disaster-prone areas, such as, the coastal belt, the flood-prone zones, the flush flood zone in the haor areas. There are problems of salinity intrusion in the south-west zone where sometimes tube-wells do not work for fresh water. Therefore, to combat with salinity intrusion due to climate change, and continuing supply of safe water and environmentally sustainable sanitation services during emergency more projects should be implemented in those disaster-prone and climate vulnerable areas of the country.

Apart from ADP budget Bangladesh Government has introduced Bangladesh Climate Change Trust Fund (CCTF) from its own exchequer, the revenue source known as operational budget. There is a recognition that climate finance also needs to include agencies and ministries beyond DPHE. 25 ministries have been identified as relevant to climate finance but only 9 ministries so far have been active in expenditures related to climate which includes WASH-focused projects also. Table 1 shows initial and revised allocation and actual expenditure on climate finance by 9 ministries in the preceding 5 years.

Financial Year	Climate finance by 9 Ministries inclusive of WASH focus (Taka in Crore)					
	Initial allocation		Revised allocation		Actual Expenditure	
	Climate finance	WASH focus	Climate finance	WASH focus	Climate finance	WASH focus
2019-2020	18237.47	17984.88	13125	946.09	676.04	490.09
2020-2021	18191.67	18311.21	14941.27	1011.33	688.25	538.78
2021-2022	19570.05	20798.76	19060.88	1093.43	811.47	717.38
2022-2023	32408.89	-	-	1333.22	1341.23	-
2023-2024 (only 6 ministries had allocation)	37051.93	-	18,867	1671.81	-	-

Table 1: Climate Finance inclusive of WASH-focus out of CCTF



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# Recommendations



- ADP allocations for WASH show a fluctuating trend and less-than-proportionate growth to growth in ADP size. SDG era WASH goals are more complex and challenging than MDG-era WASH goals with the emphasis now on safe drinking water and safely-managed sanitation. 2021 data shows we are at 59% and 39% respectively on these targets with only 6 years remaining for achieving the SDG6 targets. We need not just increased WASH allocation but more importantly we need adequate allocations, in particular WASH allocations proportionate or higher to growth in ADP size.
- Three types of inequities in WASH allocations persist and should be addressed: inequities in rural-urban, intra-urban inequities and the lesser attention being paid to some of the hard-to-reach areas, in particular haors.
- The FSM challenge is rapidly rising in secondary towns and urbanized villages. There is inadequate policy recognition of this rising WASH challenge and consequently allocation trend also shows inadequate attention to this sub-sectoral priority. Greater policy recognition and increased allocation to FSM is a priority.
- Following its success in largely eliminating open defecation, the government's work on Safely Managed On-Site Sanitation (SMOSS) service holds promise for addressing the sub-sectoral priority of sustainable FSM. The suitability of this option needs to be assessed as a priority.
- With climate impact complicating access to safe water, both public and private investment have to be scaled up for introducing appropriate technologies for safe water, integrated water resource management, and spreading good practices including rainwater harvesting, reverse osmosis, etc., to make water sources pollution-free and sustainable.
- Introduction of climate finance inclusive of WASH-focus is a step in the right direction. 25 ministries have been identified as relevant to climate finance projects but only 9 ministries – 6 in FY2023-24 – are implementing climate finance projects. The share of WASH-focus projects has seen a commendable rise from 5.32% in FY2022-23 to 8.89% in FY2023-24 but this still remains small. There is a need for the remaining ministries to pro-actively identify and undertake appropriate projects on WASH and its sub-sectors.
- In order to protect the environment, women, children and disabled-friendly sanitation services need to be ensured in all institutions including public places.  
8. Increased allocation for advocacy on hygiene is unlikely to bear the expected fruits if implemented only through the health ministry. A multi-agency policy approach including other relevant ministries and divisions as well as non-government actors active on the issue is an urgent priority.
- Continue the exemption of Value Added Tax (VAT) and supplementary duty on the import of raw materials of sanitary napkin to encourage domestic production of this very important hygiene product for women and adolescent girls like last 5 (five) financial years since 2019-20.