
SOCIAL PROTECTION PAYMENTS

 INTRODUCTION



DELIVERY

Introduction

This work is part of the Inter Agency Social Protection Assessments (ISPA) initiative, a set of practical tools that help countries improve their social protection system by analyzing its strengths and weaknesses and offering options for further action. Countries can apply ISPA tools periodically to track performance over time.

ISPA tools fall into 1 of 3 categories:



SYSTEM



PROGRAM



DELIVERY

This tool is also part of the **Universal Financial Access by 2020** goal set by the World Bank Group and partners. Enhancing access to payment services requires initiatives to strengthen the foundational elements and drivers. The foundational elements include political commitment, robust financial and ICT infrastructure, and an enabling legal and regulatory framework. The drivers include efficient payment services and a shift of large scale payment programs to electronic means.

How social protection payments are delivered is important.

Making reliable and timely payments to beneficiaries is a key element of a well functioning social protection system. They should reach the right people, at the right time, in the right place and in the right form and the correct amount. A well implemented payments mechanism can provide important social protection support and also serve as an entry point for financial inclusion.

About The Tool

The **Social Protection Payments** tool provides a framework for assessing the payment delivery mechanism and the general payments environment for the delivery of cash or near cash social protection transfers, including those primarily targeted to poor and vulnerable populations. It is designed for use by social protection policy makers and practitioners seeking to improve payment delivery in existing social protection programs and for those seeking to establish a payment delivery mechanism for a new program.

This tool does not touch on humanitarian relief that is typically for short-term emergencies and often delivered in-kind; nor does it explore labor and social insurance programs.

The assessment follows the standard ISPA framework:



1 "What Matters"
Guidance Note



2 Questionnaire



3 Assessment
Matrix



4 Country Report



Implementation
Guidelines

*Outlines the process of application of
an ISPA tool from start to completion.*

The tool is not prescriptive and does not provide a specific implementation plan. It is a diagnostic tool that should be applied by a team of professionals with expertise in the subject matter.



ABOUT THE "WHAT MATTERS" GUIDANCE NOTE

The **"What Matters" Guidance Note** provides background for those wishing to carry out or commission a country or program assessment for social protection payments. The set of criteria described in the "What Matters" Guidance Note lays down the conceptual foundation for the assessment on the basis of good practices and illustrations from real world experiences.

The Guidance Note includes the following sections:



What Matters outlines the importance of payment mechanisms for social protection programs and the different actors involved. This section also proposes three criteria to assess social protection payment mechanisms: accessibility, robustness and integration.



National Payments Environment provides background information to be considered in a review. This includes the regulatory context, the financial sector, the level of financial inclusion, the relevant national payments system infrastructure, types of providers involved in the provision of payment services, and the approaches and technologies that they typically use.



Social Protection System Environment offers a brief description of the main characteristics of the social protection system and more prominent programs, including information on payments delivery.



Social Protection Payments Delivery Assessment

The quality of payments delivery is assessed using these criteria:

1 ACCESSIBILITY

Accessibility concerns how convenient the payment mechanisms are for beneficiaries.

An accessible payment mechanism specifically considers its appropriateness with respect to the needs of target groups including the poor, elderly, illiterate, women, and disabled. To ensure respect for rights and dignity there should be sufficient training to ensure that recipients understand the payment process and how to raise any issues they face and make complaints about it. There also needs to be active and continuous communication with recipients to ensure they understand when payments will be delivered and are aware of any changes to the process.

2 ROBUSTNESS

Robustness addresses the reliability of payments.

Good governance of the payment process includes clearly defined roles and responsibilities, as well as timely and accurate reporting. Maintaining the integrity of the process through sound regulation and oversight is key to mitigating the risk of leakage.

3 INTEGRATION

Integration addresses the coordination & interoperability of payment mechanisms.

Integration can involve coordination of payments from different payers within government across multiple ministries, agencies, and social protection programs. This also speaks to the issue of flexible payment delivery mechanisms that allow for changes in transfer values and for dynamic beneficiary registry lists to reflect program entry and exit. Integration also reflects the ability of the payment mechanism to be used to facilitate financial inclusion and for other payment needs, such as making and receiving remittances and bill payments and more generally, to function as a full-fledged transaction account.



ABOUT THE QUESTIONNAIRE

The standardized **Questionnaire** provides a framework to collect key qualitative & quantitative information, which will facilitate the development of evidence-based options for countries to consider and act upon.



ABOUT THE ASSESSMENT

The **Assessment Matrix** for the supporting payments environment and the payment delivery mechanism are organized from Latent to Advanced. This assessment approach helps to identify areas that may benefit from strengthening, as well as ensuring that trade-offs between criteria are made explicit to policy makers.

Latent

1

2

3

Advanced

4



ABOUT THE COUNTRY REPORT

The **Country Report** summarizes the assessment and suggests policy options for strengthening social protection payment mechanisms. The primary aim is to facilitate country dialogue in supporting the strengthening of social protection and labor systems.

HOW ARE ISPA TOOLS APPLIED?



The SP Payments assessment is done with data gathered through both desk research and information provided by stakeholders in the field. The time required for the application of the SP Payments Assessment tool will vary depending on the complexity and comprehensiveness of the SP Payment(s) being evaluated & the availability of relevant data.

WHY USE ISPA?



Countries:

ISPA supports the building of cohesive social protection systems



Governments:

ISPA provides consistent, reliable & technically sound evidence on improving the effectiveness & efficiency of a social protection system



International partners:

ISPA helps to coordinate advice & resources & facilitates the sharing of information and good practices



Households experience:

- Better access to goods & services
- Improved adequacy of social protection benefits
- More coordinated & integrated provision of government benefits & services

HOW TO GET STARTED?

Countries looking to develop and improve their social protection payment systems should approach the relevant in-country development partners and request support to complete an ISPA assessment.

Countries can also contact the ISPA Coordination Team:

 info@ispatools.org

 www.ispatools.org