

# Post-COVID-19 ICT Roadmap: The Social Protection sector

## How the Roadmap came to be

With the growing certainty that COVID-19 is here to stay, the ICT Division of the Government of Bangladesh is developing a roadmap to fight the pandemic and ensuing crisis and to find innovative ways to flourish in the 'new normal'. Social Protection is one of the 18 priority sectors selected based on the impact of COVID-19 on the sector and its potential for transformation of the economy and society.

## Why the Social Protection sector

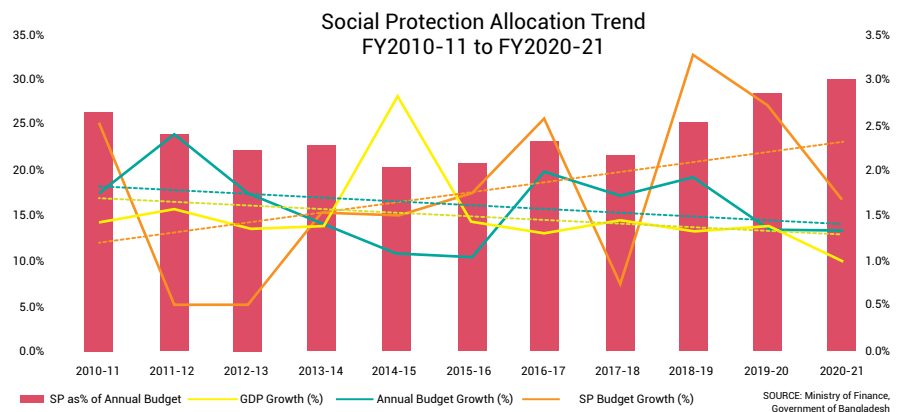
When all the citizens of a state feel that the government is committed to protect them in distress and provide them with opportunities to thrive in life -- inclusive economic growth is ensured. A range of social protection programs, cash or in-kind transfers, public works, and incentive schemes serve as essential instruments to support the poor in navigating through the hardships of life and in aligning them with the growth path of the country. To achieve inclusive growth, the Government of Bangladesh allocates resources to implement a broad spectrum of social protection programs. On the one hand, the allocated resources are still not sufficient, on the other, a range of implementation challenges undermines the commitment of poverty alleviation through social protection programmes. Information and Communication Technology (ICT) is an effective and absolute necessity to address different operational challenges in providing social protection to the vast population. The COVID-19 pandemic demands more integration and use of ICT in social protection programs to make the most effective use of our limited resources.

The growth and coverage of Internet, mobile phone, and mobile financial services have created an opportunity for utilisation of ICT to initiate a paradigm shift in revamping the social protection program. The COVID-19 crisis also opened our eyes to how important it is that all citizens have access to digital devices with reliable Internet connection and access to digital financial services. The basics are there thanks to relentless efforts during the last decade. Access to education and learning, access to healthcare, access to market and income opportunities, and most importantly access to financial services are now at our doorstep, waiting for us to open the door with a big push.

## Impact of COVID-19

The World Bank has projected that the extreme poverty rate in Bangladesh will increase from 12.8% last year to 21.8% in 2020. PPRC and BRAC Institute of Governance and Development (BIGD) jointly conducted a quick sample survey including 50% poor and 40% vulnerable non-poor covering both rural and urban areas (71% respondents in urban areas and 55% in rural areas). The conclusion from this study was that there had been a massive income loss among the population. The income of ultra-poor, moderately poor, and vulnerable non-poor have fallen by 70%

following the countrywide shutdown during the global coronavirus pandemic. It will also be affecting the consumption capacity, which has come down by 40% for the poor and 35% for the vulnerable poor. This makes an efficient and effective social security system imperative for the vulnerable population.

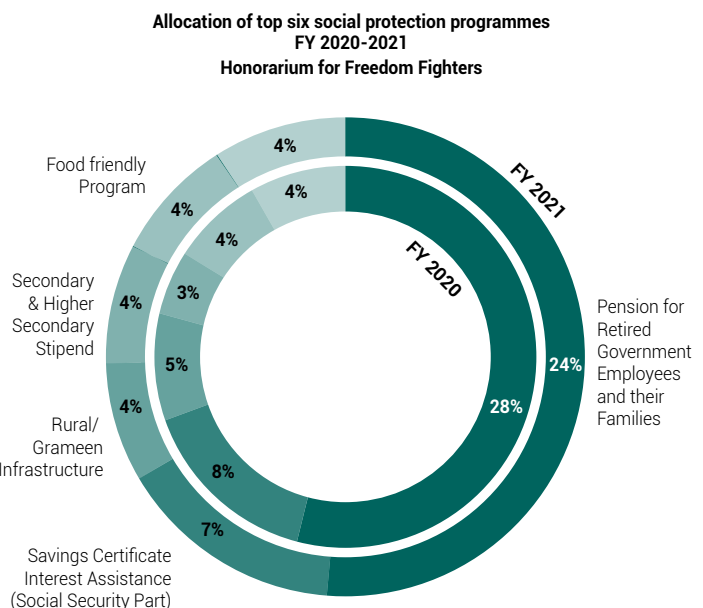


## Constraints

The National Social Security Strategy (NSSS) adopted in 2015 reflects a broad structure that promises reduction of vulnerability at different stages of life and thus alleviate poverty. However, the social security system in Bangladesh still remains complex, comprising a large number of programmes managed by 35 ministries or divisions. There were 125 programmes listed under the social security system in FY 2020.

With a need to spend 4% of GDP to sufficiently overcome the vulnerability of the poor, allocation for social protection programs has been 2-3% of GDP in Bangladesh over the last 10 years, though with a continuous rise in both allocation and the number of beneficiaries. Only six of the 125 programmes in the FY2021 budget account for 46% of the total social protection allocations. The programme with the top allocation under SSNP (24%) is for the Pension for Retired Government Employees and their families. Thus, a large part of the safety-net programs is serving ex-government employees who do not necessarily belong to the poor segment of the society.

As the vulnerability in health services in Bangladesh has been exposed intensely after the outbreak of COVID-19 pandemic, it is important to look into the allocation for health-related social protection programs. Only 15% and 12% of the total social protection budget was allocated for health-related social protection programs in FY2018 and FY2019 respectively.



Source: Ministry of Finance Government of Bangladesh

According to the Mid-term review of NSSS, most interventions put in place were on an ad hoc basis, being considered without any coherent and well-structured strategic framework for social protection. Lack of complementary support systems meant the benefits of a program could not be sustained as the beneficiaries were exposed to chronic poverty and other types of crises. Social protection programmes in Bangladesh also face a number of potential exclusion errors at different coverage rates, according to an analysis of the 2010 household survey (Sharif, 2009). A substantial proportion of the population remain exposed to poverty or economic vulnerabilities with a large segment of poor or vulnerable households being excluded from various social safety nets. The absence of a comprehensive database of program participants, discretionary selection of beneficiaries, high leakage involving cash handouts, and implementation progress tracked mainly against disbursement rather than through actual intervention impact rendered monitoring and evaluation ineffective.

Imagine that all households have access to reliable electricity connection, smartphone with reliable Internet connection, and access to digital financial services. Access to these four essential items would enable us to provide sustained education for our children, access to essential health services for COVID-19 affected citizens, access to credit, and access to market. The women and girls who are lagging behind can also avail the digital opportunities. Bangladesh now has the resources and the readiness to ensure these four essential items within the next two years. This will allow for the development of a universal identity system for all citizens, adults and children alike, which will allow identification of right beneficiaries for all social protection benefits and deliver them to the citizens without delay and with minimum targeting error.

## Top Five Action Agenda

Taking learnings from local and global best practices and to tackle: (i) the effects of the pandemic, and (ii) the existing systemic and regulatory shortcomings of Social Protection and ICT in the sector, the following five interventions have been identified for perusal, with the objective to re-emerge stronger.

Title	Universal Identity System for all citizens	Universal Access to Digital Devices, affordable Internet, and mandatory digital learning	Universal Access to Digital Financial Services	Multi-stakeholder monitoring system of social protection programmes	Launching of a separate Ministry/ Authority for Social Protection under Prime Minister's Office
Why (To address:)	There is no clear and uniform targeting criteria that is responsive and adaptive. The absence of a reliable single-entry database of selected recipients limits the capacity of the government in providing quick and direct assistance to the citizens in need. The poorer a person, the higher is the possibility of being missed-targeted in the social security net. Though exclusion errors reduce with increased coverage, it does not account for the sizeable errors during implementation	It will allow all citizens to take advantage of the digital technology for education, livelihood, healthcare, and accessing social protection benefits. Although initial investment for this initiative is high, it will reduce cost of identification and delivery	Digital Financial Services (DFS) is yet to make sure that there is no leakage in the disbursement process of social protection. The Government to Person (G2P) payment system under the NSSS shows promise in transferring allowances directly to the beneficiaries. However, only a few programs have come under this mechanism till date	Leakages take place during targeting, delivery of benefits, sharing information, and even self-appropriation of benefits. Monitoring and Evaluation (M&E) Framework of the NSSS depends largely on a fully digitalised system when ICT literacy of the local government is not up to par	Lack of coordination between different ministries leads to duplication of programs, beneficiaries, increased monitoring costs, and results in slow progress in poverty reduction targets of the NSSS
What	A single-entry database for all citizens with information on various characteristics and vulnerability measurement. This will allow to track and monitor the assistance received by each household	Launching of program for all citizens to purchase a digital device with affordable high quality internet and digital learning program with mobilization of resources from all sectors and stakeholders: public-private-NGOs-volunteers. The cost of delivery of the facility will be differential based on the status of wealth and vulnerability.	Inclusion of all citizens into DFS by utilizing multiple channels (post-office, schedule bank, mobile financing, agent banks etc.) with a national payment gateway; linking more programs with Social Protection Budget Management Unit (SPBMU) MIS; and improving the capacity of concerned ministries to integrate with the system. Disburse assistance in form of e-token ensuring the actual recipient gets the specific product (food basket) or service (health care) being covered through social security net	Thematic cluster-based monitoring mechanism to be developed by respective ministries to avoid duplications in monitoring. Strengthening the capacity of the Implementation Monitoring and Evaluations Division (IMED) programs	Establishment of the ministry and reduction of number of agencies dealing with social protection programs, keeping the coordination role with the new ministry and use of common vehicle for identification and delivery of benefits. Regular, virtual, coordination meetings of different relevant ministries of thematic clusters; a web-based NSSS implementation dashboard for all the line ministries; a knowledge repository for lessons learnt; quick implementation and adaptation of integrated and compatible MIS
Lead Agency	Ministry of Social Protection	ICT Division	Bangladesh Bank	IMED	National Parliament
Implementing Agencies/ Actors	All relevant ministries and agencies implementing social protection programs	Ministry of Post and Telecom/Ministry of education/MNOs/	All Banks/Fintech Companies/MFIs	Multi-stakeholder consortium	Cabinet Division/MOPA
Coordinator	ICT Division	ICT Division	ICT Division	ICT Division	ICT Division
Govt. Partners	Ministry of Finance	Ministry of Local Government and rural Development/Local administration	Ministry of Finance	All relevant line ministries connected social protection programmes	All relevant line ministries
Pvt Sector Partners	MNCs with CSR programs	MNOs/Smartphone manufacturers/NGOs/BoP companies	All Banks/Fintech Companies/MFIs	CSOs-NGOs/BoP companies	_____
Financing and modality	Ministry of Finance/ Ministry of Planning/Development Partners	Ministry of Finance/ Ministry of Planning/Development Partners/Financial institutions/MFIs	Ministry of Finance/ Ministry of Planning/Development Partners/Financial institutions/MFIs	Ministry of Finance/ Ministry of Planning/Development Partners	_____

- World Bank. 2020. South Asia Economic Focus, Spring 2020 : The Cursed Blessing of Public Banks. Washington, DC: World Bank. © World Bank. <https://openknowledge.worldbank.org/handle/10986/33478> License: CC BY 3.0 IGO
- Data Source: <http://socialprotection.gov.bd/social-safety-nets-in-bangladesh-budget/> (blue coloured data points are recalculated to adjust with updated data from Ministry of Finance)
- Calculated from the data available in the website of Finance Ministry [https://mof.portal.gov.bd/sites/default/files/files/mof.portal.gov.bd/page/672e3d4d\\_09bb\\_4205\\_9afd\\_843de55481d1/Safety%20net\\_English\\_18-19.xl.pdf](https://mof.portal.gov.bd/sites/default/files/files/mof.portal.gov.bd/page/672e3d4d_09bb_4205_9afd_843de55481d1/Safety%20net_English_18-19.xl.pdf)
- Five thematic cluster groups of programs have already been identified. Those are i) Social Allowance, ii) Food Security and Disaster Response, iii) Social Insurance, iv) Labour and Livelihood and v) Human Development and Social Empowerment.
- IMED monitors over 1,500 programmes every year. The assigned division within it for NSSS implementation is currently monitoring 183 programmes of which about 30 are SSPs. If the M&E of all the social protection programmes is also allocated to IMED, the workload could be unmanageable.