

# Practitioner Note 2: Inclusive transfer value, type and payment modalities in social protection<sup>1</sup>

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**The strength of social protection systems** in the Middle East and North Africa (MENA) and their ability to respond to shocks vary significantly from one country to the next, with some countries suffering from limited financing, inadequate coverage and a lack of coordination and digitised infrastructure. Despite this variation, the main payment modality adopted by most flagship programmes across MENA is manual cash delivery through post offices, which are suited to reaching rural and unbanked populations but are sometimes unable to reach the most vulnerable. Furthermore, timeliness of payments is an issue in some MENA countries, due to delays in the budget disbursement process and the delivery modality. During the COVID-19 pandemic, most MENA countries relied on manual cash delivery, but a few countries shifted to mobile money for rapid disbursement (Hammad et al. 2021).

Considering this context, and the need to strengthen social protection systems generally and make them more shock-responsive and more inclusive of vulnerable and marginalised groups, the International Policy Centre for Inclusive Growth (IPC-IG), in partnership with the UNICEF MENA Regional Office, developed a Practitioner Note (Hammad 2022) on inclusive transfer values, types and payment modalities in shock-responsive social protection. This is the second Practitioner Note in a series on shock-responsive social protection developed by the two agencies, which gathers examples of best practices on inclusive:

- targeting, identification and registration;
- transfer value, type and payment modality;
- communication, case management and accountability; and
- social protection for forcibly displaced populations.

The second note provides four identified best practices from existing literature and the practices of MENA countries in payment types, values and delivery modalities. Next, it presents immediate and long-term recommendations for enhancing the inclusiveness of those best practices, along with illustrative country cases. Both government and humanitarian initiatives were considered. The four main best practices identified and some of the main recommendations for how to achieve them are presented below. For country cases illustrating the different recommendations, please refer to the full Practitioner Note.

## Best Practice 1: Combine multiple benefit types

- Implement Cash Plus programmes with case management processes for gender-based violence or child protection services,

or ones with a focus on continuing birth registration, or nutritional supplements to reduce malnutrition.

- Invest in increasing the shock-responsiveness of existing programmes by strengthening market assessments and real-time monitoring tools to improve the benefit mix and value choices in future crises.

## Best Practice 2: Evaluate transfer values, timing, duration and frequency to meet wide-ranging needs

- Consider the extra costs of disability, women's reproductive health needs, and education during the school return period or through remote learning.
- Invest in integrating a focus on shocks in routine costing exercises.

## Best Practice 3: Adapt manual benefit delivery and engage local actors in the process

- Increase the number of cash-out providers and consider mobile ones, especially for rural and nomadic populations.
- Set protocols for surge capacity and alternate payment approaches.

## Best Practice 4: Adopt digital payment modalities (bank transfers, pre-paid cards, mobile money) where applicable

- Simplify due diligence in bank or mobile money account opening procedures by allowing the use of other identification mechanisms or by waiving the ID verification requirement entirely.
- Complement digital transfers with non-digital ones, to ensure greater coverage and more inclusion.
- Support the development of standard operating procedures for crisis situations for existing financial service providers.

## References:

Hammad, Maya. 2022. "Practitioner Note 2: Inclusive transfer value, type and payment modalities." *Research Report* No. 68. Brasília and Amman: International Policy Centre for Inclusive Growth and United Nations Children's Fund Middle East and North Africa Regional Office.

Hammad, Maya, Fabianna Bacil, and Fábio Veras Soares. 2021. "Next Practices—Innovations in the COVID-19 Social Protection Responses and Beyond." *Research Report*, No. 59. New York and Brasília: United Nations Development Programme and International Policy Centre for Inclusive Growth. <<https://bit.ly/311GRHj>>. Accessed 10 December 2021.

## Note:

1. The full list of references is available in the full study. The other notes of the series can be found at: <<https://www.ipcig.org/publications>>.