

Supporting Social Protection Systems in Myanmar

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Outline

- What is Social Protection?
 - Social Assistance?
- Social Protection in Myanmar
 - Existing Programs and Services
 - National Strategy Plan
- National and Community-based Systems
- National Systems versus project-based
- Building cash transfer infrastructure and capacity

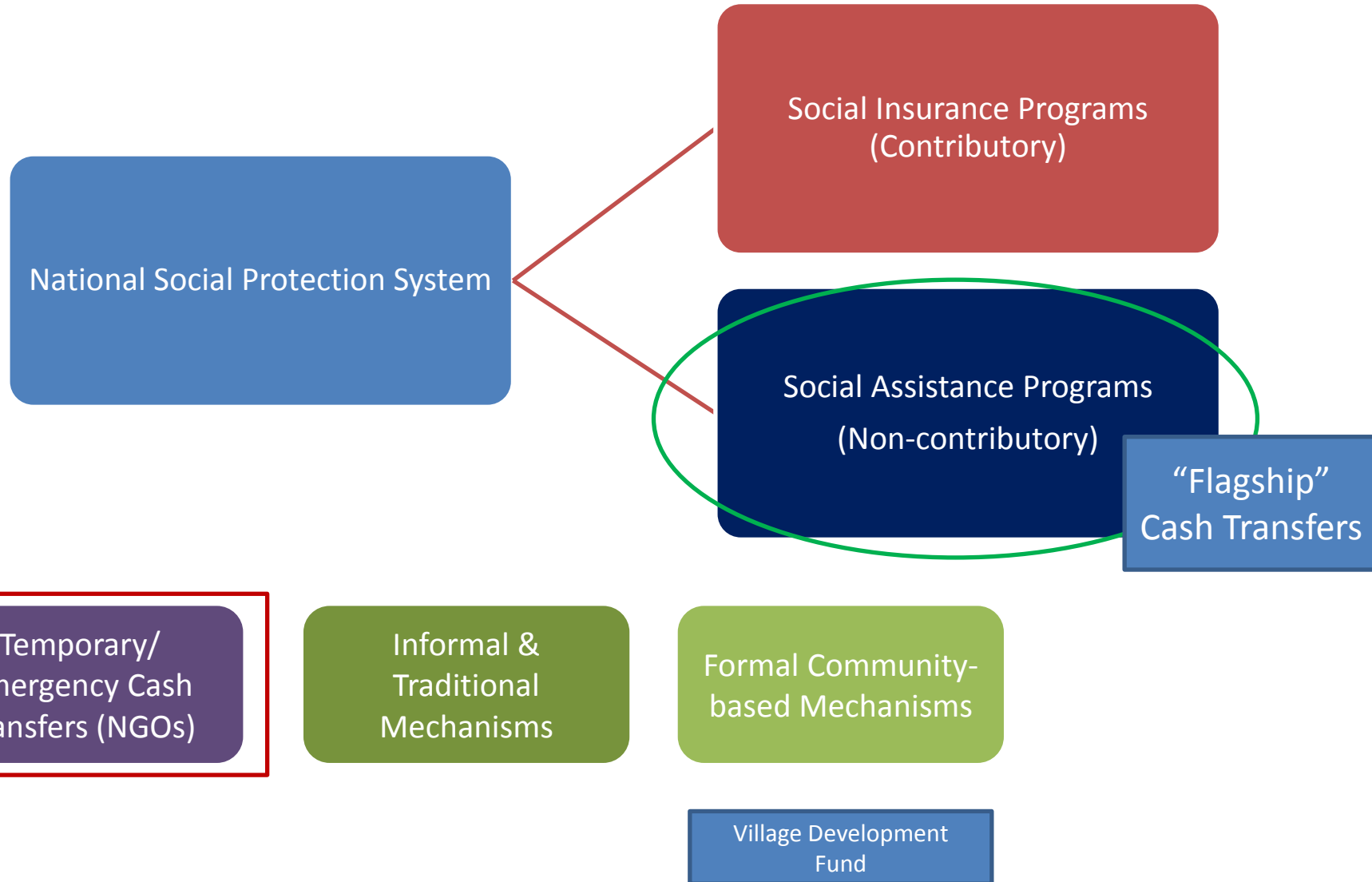
Differing Definitions of SP

- Different international actors (donors) each have their own working definition
- SP is constantly changing and developing
 - Therefore, so is its definition
 - Difficult to implement social protection with no clear definition of what it is
- However! Some broad consensus around core principles of what social protection is (and is not)
 - Buffering the vulnerable against **risks and shocks**:
 - **Alleviating poverty** among most vulnerable / chronic poor and breaking the inter-generational cycle of poverty;
 - Determinants of poverty are overlapping/interrelated, dynamic rather than static

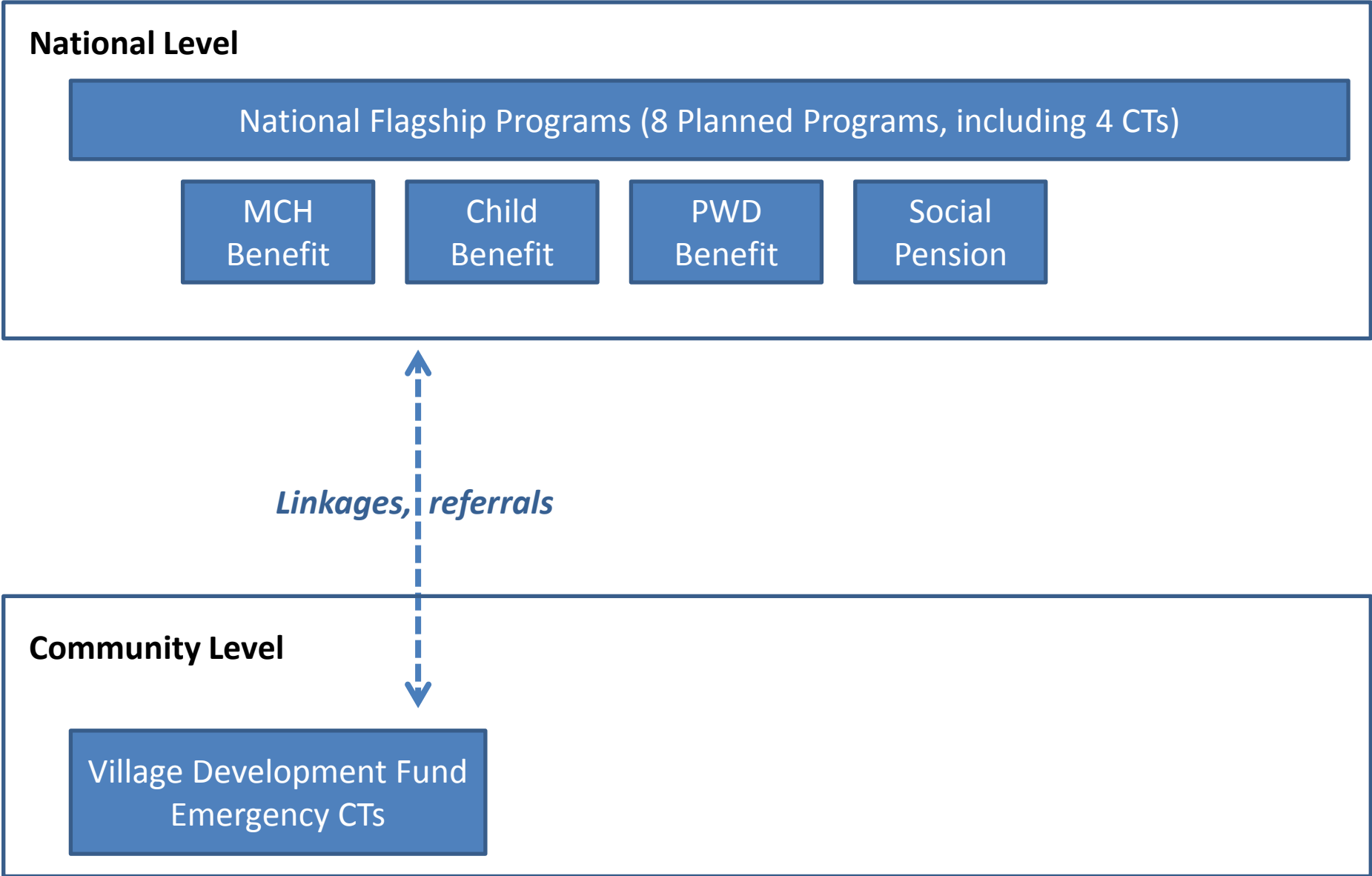
Social Protection is not...

- A 'catch-all' definition for other intervention types like microfinance, community development, income-generation, etc.
- Risk of spreading resources/efforts too thin or expecting a single intervention to solve a complex and varied range of issues

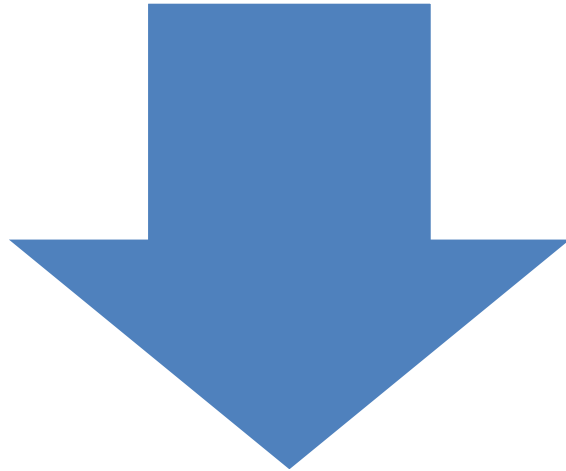
Social Safety Nets



Social Assistance Interventions in Myanmar



Social Protection System



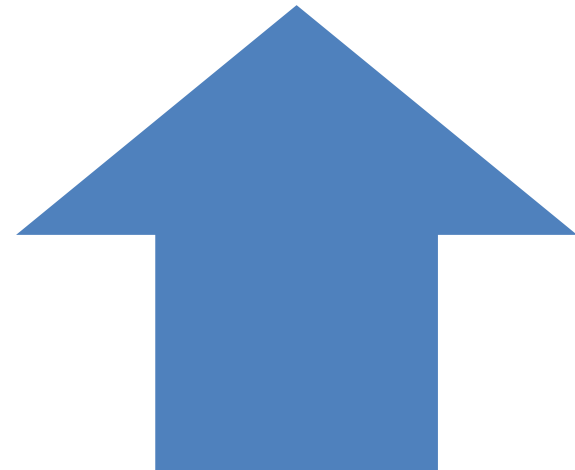
National Social Assistance Programs – 4 Flagship CTs

- Minimum income for poorest/most vulnerable (e.g. those with diminished working capacity)
- Buffer poorest against shocks to avoid harmful coping strategies and reduce inter-generational transfer of poverty
- Basic package around a life cycle approach; less nuanced than community-based



Community-based Social Assistance (Village Development Fund Emergency CTs)

- Occasional/emergency assistance
- Insufficient to meet demand/need; better positioned as supplementary to national programs



Temporary Safety Nets

- Often implemented by non-government partners in response to short-term crises or emergencies
- Higher administration costs than national safety nets, implemented through government systems
- Higher focus on immediate impact, rather than sustainability
- Funded by donors, rather than from national budget
- Complement permanent, national safety nets implemented by government

Effectively Engaging MSWRR around SP in Myanmar

- Starting point = National Social Protection Strategy Plan (MSWRR)
- Building cash transfer systems which are sustainable, robust and cost-effective & can be easily brought inside government
 - Cash transfers are the cornerstone of national social protection system
- Building high-level political support among key decision-makers (Finance, Planning) outside MSWRR
- Building capacity within MSWRR to more effectively engage other stakeholders on SP from a national systems perspective
 - Moving away from social welfare as ‘charity’
 - Social welfare as a necessary system which many countries globally and regionally invest in to buffer households against shocks and provide basic income support to the poorest

Building National Systems

- Once systems are established for one CT, the basic infrastructure can be used for all 4 Flagship CTs;
 - Registration System, Payment System, MIS, etc.
 - Social Pension is a good starting point
 - Simple (categorical targeting, clear eligibility), unconditional
- Basic systems can be designed to handle other CTs, once DSW is ready to implement them:
 - Maternal and Child Health Benefit
 - Child Benefit
 - Persons with Disabilities (PWDs) Benefit
- Other basic elements (MIS, technical assistance team, etc.) will help ensure the systems are robust & that capacity is built within DSW

Social Pension

- MSWRR has decided to implement the Social Pension (as per National Strategy Plan)
- However, allocation received is insufficient to provide a regular cash transfer
 - One-time transfer is not a pension
- Therefore, it is recommended to Pilot the Social Pension in 2 – 3 Districts in 2 States
 - Difficult implementation context and simple one

Government Systems

- The Pilot should make use of the government systems outlined in the feasibility study, rather than being implemented through non-government channels
 - Objective is to test and improve systems in order to determine whether and how to scale-up to national coverage
 - More sustainable administration/operations
 - Building capacity as well as systems
 - Demonstration case to government for greater allocation for national coverage next year

Support for Government Systems

- Technical assistance team acting as pilot management unit, sitting within and reporting to DSW
 - Building capacity of DSW to manage and implement a scaled-up program
- MIS (Management Information System)
 - Housed within DSW
 - Data entry by DSW State or District level

Piloting National Systems

- Pilot to test systems which can be easily brought fully within and scaled up by government later on
 - Beneficiary Selection System, Payment System, Exit Mechanism, Complaints Mechanism
 - OM, MIS, MIS Forms
- Ministry is prepared with technical systems/tools and improved capacity once money becomes available
- 2 areas of varying difficulty for implementation

Feasibility Study

- Technical options for how to implement national cash transfers, case of the social pension
- Also creating infrastructure (operational systems & institutional arrangements) for other cash transfers via DSW
 - Beneficiary Selection System
 - Payment Delivery Mechanism (Payment System)
 - Recertification & Exit Mechanism
 - Institutional Arrangements & Organizational Structure
 - Management Information System (MIS)

Beneficiary Selection System

- Eligibility & exclusion criteria defined by MSWRR
- Standardized Application Form to collect data required to:
 - verify eligibility
 - populate MIS with basic HH info

Registration Process: Who should Identify & Register?

	Option 1: GAD Village Tract & Village Administrators use local knowledge	Option 2: DSW Staff Members and DSW Volunteers use local knowledge	Option 3: Call all potentially eligible to Registration Points (via Public Info Campaign)
Strengths	<ul style="list-style-type: none"> -Experience/better capacity in similar data collection: Existing System -Strong structures down to Village level across country -Knowledge of local people 	<ul style="list-style-type: none"> - Quality control of process by DSW -Building capacity of DSW to register for similar programs in future (i.e. Flagship programs) 	<ul style="list-style-type: none"> -Self-selection to complete application process
Weaknesses	<ul style="list-style-type: none"> -May miss out on most marginalized -Reporting structure is not to DSW 	<ul style="list-style-type: none"> -Unclear/variable local knowledge & capacity -DSW supervision structures only to State level -More costly: travel to remote areas -Volunteers may expect remuneration 	<ul style="list-style-type: none"> -Expensive to set up many Registration Points - Accessibility / mobility issues for elderly and those in remote areas -Too few eligible

Existing System of Social Transfer Payments

- Ministry of Finance, Department of Pensions uses the Myanmar Economic Bank (MEB) to deliver payments
 - Most beneficiaries paid through Smart Card system
 - Manual system used until 2012
 - Very low proportion paid through Bank Accounts even in urban Mandalay

Mixed Payment System

- Urban & semi-urban areas / areas with access to Myanmar Economic Bank → existing system
- Rural and remote areas / areas without access to Myanmar Economic Bank → robust manual payment system
 - Thailand uses such a mixed system (bank-based for areas with banking facilities and delivered manually through local authorities for areas without)
 - Technically robust design: strong reconciliation process, issuance of receipts in triplicate, etc.

How should manual payments be delivered in rural and remote areas?

	Option 1: Myanmar Economic Bank Officers via scheduled Payment Points	Option 2: GAD Village Administrators distribute cash at Village-level	Option 3: DSW Officers via scheduled Payment Points
Strengths	<ul style="list-style-type: none"> -Technically robust & transparent -Easy to link with existing reconciliation system -One agency handling all payments = operational simplicity -GAD can handle payment-related complaints 	<ul style="list-style-type: none"> - Relatively inexpensive (but not without cost – transportation, security) -100% coverage of Villages, with physical office space -Greater payment frequency is possible 	<ul style="list-style-type: none"> -Can be relatively inexpensive (but not without cost)
Weaknesses	<ul style="list-style-type: none"> -Not currently doing this type of outreach → possible? -Potentially expensive (but can be managed by relatively low number of Payment Points) 	<ul style="list-style-type: none"> -Difficult to mitigate risks of corruption -Accountability: difficult to complain against GAD for payment-related issues 	<ul style="list-style-type: none"> -No offices below State level (some in District) -No experience in delivering cash -Transparency issues

Operational Design

Establishing operational systems:

- Standardized, sequenced, detailed processes around a defined operational cycle
- Standardized tools (e.g. Registration Form, Payment List, Exit Form, communications materials, reports, etc.)
- Clear roles & responsibilities, division of tasks
- MIS (Management Information System): simple, IT-based rather than manual / paper-based

How?

Technically

- Develop Operations Manual
- Develop Standardized MIS Forms
- Design and Develop Management Information System
- Inter-ministerial agreements (formal)
- Training Needs Assessment (Capacity Building and Program Operations)
- ***Same 'infrastructure' can be used to implement other CTs in future***
- Building High-level Support among non-MSWRR decision makers
- Building capacity within MSWRR to lead on and deliver social assistance

THANK YOU