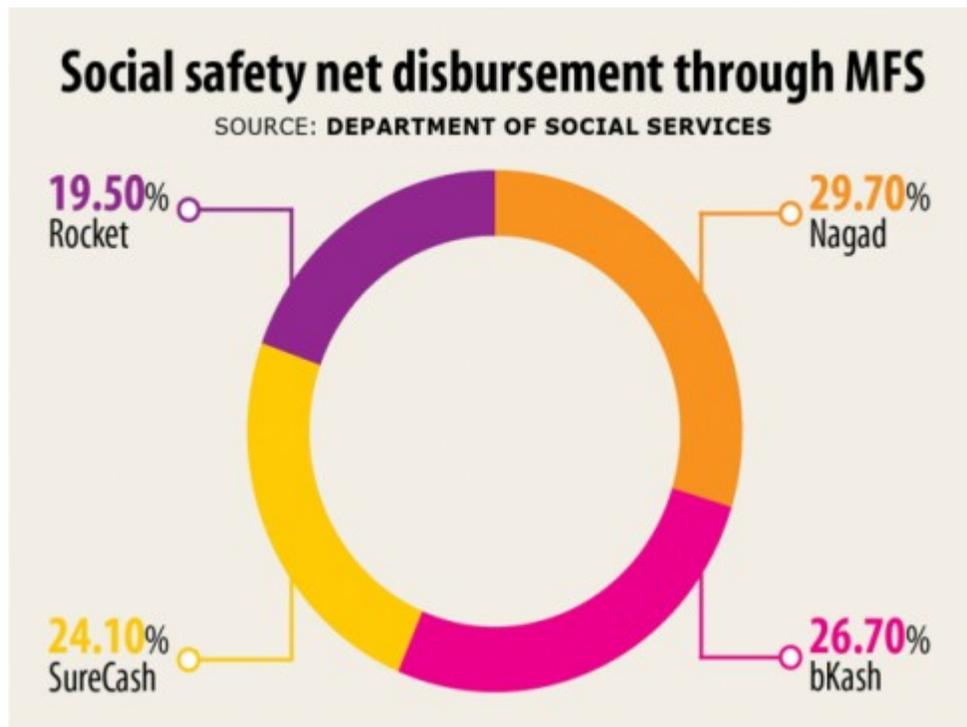


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## Elderly, disabled and widows to get safety net allowances through MFS

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The government plans to disburse social safety net allowances among elderly, disabled and widows through mobile financial services -- a move that can help the country reach the targeted beneficiaries, ensure value for money and prevent misuse.

The Department of Social Services under the social welfare ministry, which runs the country's largest social safety net programmes, has decided as part of its move to digitalise disbursement.

Under the move, it would initiate a pilot involving 13,845 beneficiaries. Last week, it wrote to four top mobile financial service carriers to run the piloting in eight union parishads in eight divisions.

Of the total, Nagad, a financial arm of the postal department, will run the piloting by disbursing safety net allocations among 4,114 beneficiaries -- the highest.

It will run the piloting in two union parishads in Comilla and Lalmonirhat, according to a letter of the Department of Social Services.

bKash, the market leader, will disburse funds among 3,695 beneficiaries in Gopalganj and Sylhet districts. SureCash will run the piloting among 3,331 beneficiaries in Bhola and Netrokona.

Rocket, a venture of Dutch-Bangla Bank, will disburse allowances among 2,705 beneficiaries in two union parishads in Natore and Khulna.

The funds will be disbursed through the government-to-person system to avoid third-party involvement, according to the letter.

The Department of Social Services will provide the list of the beneficiaries to the operators.

Tanvir Ahmed Mishuk, managing director of Nagad, welcomed the move.

"We think it is a very timely initiative from the government side. I believe that due to this initiative, the distribution of the social safety net allowances will be transparent. Besides, the beneficiaries will be able to get their allowances very easily and safely on time."

The step will accelerate the digitalisation of the Department of Social Services, Mishuk added.

There is no better way than MFS carriers to disburse social safety net funds among this group of people, said Shahadat Khan, chief executive officer of SureCash.

"If you digitalise this service, you will come to know the exact number of beneficiaries and whether the targeted beneficiaries are getting the support," he added.

The Department of Social Services disbursed Tk 2,640 crore among 44 lakh poor elderly in the last fiscal year with each receiving Tk 500 per month. It plans to disburse Tk 2,940 crore among 49 lakh elderly in the current fiscal year, according to its website.

The department disbursed Tk 1,020 crore among 17 lakh widows in the last fiscal year. This fiscal year, it has got a budget of Tk 1,230 crore to pay out among 20.5 lakh beneficiaries.

It released Tk 1,390 crore among 15.5 lakh people with disabilities in fiscal year 2019-20. The government has raised the budgetary allocation for the group to Tk 1,620 crore in the current fiscal year and the number of beneficiaries to 18 lakh.

Recently, the government has taken a move to disburse different government allowances through MFS operators to reduce the hassles faced by beneficiaries and ensure transparency.

In April, the government allocated Tk 1,250 crore for the 50 lakh poor families whose breadwinners were rendered unemployed because of the coronavirus pandemic and most of them were disbursed through the four MFS carriers.

The government distributed cash support among 35 lakh beneficiaries rendered poor.

When the initiative was rolled out, Nagad, bKash, Rocket and SureCash were each given the responsibility to transfer the funds to 17 lakh, 15 lakh, 10 lakh and 8 lakh account holders.

Nagad distributed Tk 324.5 crore among 12.9 lakh beneficiaries, while bKash channelled about Tk 234 crore among 9.3 lakh beneficiaries. Rocket disbursed Tk 177.4 crore among 7.1 lakh recipients and SureCash Tk 120.8 crore among 4.8 lakh beneficiaries, according to a finance ministry report.

"The recent disbursement of the prime minister's special Covid-19 assistance fund through MFS operators has established it the most transparent way of disbursing the government social safety net allowances directly to the beneficiaries," said Shamsuddin Haider Dalim, head of corporate communications at bKash.

The national identification card-based verification has enabled the identification of the right beneficiary and ensured direct disbursement avoiding any middleman interference.

"We applaud this timely decision of the government. bKash has been giving utmost importance to this government initiative to help achieve the vision of Digital Bangladesh," Dalim added.

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Currently, Bangladesh runs more than 150 social protection programmes under more than 20 ministries or divisions that create inefficiency and mistargeting, according to Ahsan H Mansur, executive director of the Policy Research Institute.

The government allocated Tk 95,574 crore in the social safety net programmes, which is 16.8 per cent of the entire budget and 3 per cent of the GDP. The allocation was Tk 81,865 crore in last year's revised budget.

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