Integrating information and communication technology (ICT) into social protection programs can increase efficiency and lead to more equitable and transparent process of delivery, monitoring, and evaluation of programs.

ICT for social protection can enhance targeting through more effective identification of beneficiaries and improved payment mechanisms, which will result in lower administrative costs.

ICT played a vital role in the development of identification management that creates better governance on delivery of social protection programs.

Based on the three countries’ assessments (Mongolia, Nepal, and Viet Nam), the political and institutional arrangements (the software) is as important as the technical fixes (the hardware) in the success of using ICT for delivering social protection programs.

Background. The need for social protection has been emphasized in several goals in the post-2015 development agenda as a mechanism to reduce poverty and promote inclusive growth. However, most social protection programs suffer from lack of strategic development priorities and remain fragmented due to weak institutional capacity and fiscal constraints. The common problems associated with implementation of social protection programs are in the areas of beneficiary identification and targeting, payment systems, monitoring, reporting, and evaluation, and lack of transparency and accountability mechanisms. This leads to program leakages and higher transaction and administration costs for the government. Developing member country representatives in several Asian Development Bank (ADB) capacity-building workshops on social protection have pointed out that improvement in ICT infrastructure and applications of ICT can improve beneficiary identification, records management, and benefit and payment administration, particularly in poor communities that are geographically harder to reach by traditional means of service delivery.1

ICT is among the fastest growing sectors in the world. In the last 2 decades, it has become pervasive and has changed the face and pace of development. Many countries in Asia and the Pacific are investing heavily in ICT and are beginning to integrate ICT elements in governance, such as the use of e-kiosks for government services; electronic request systems for government documents, services, and registration; and increased use of online transactions for a number of public services.

ICT investment for social protection can enhance design and implementation which can lead to savings in administrative costs and also enable scaling up of programs at a faster rate. One example is the increasing importance of identity management systems to improve targeting and delivery of social protection programs which is also supported in the Sustainable Development Goals (SDGs).2

1 The study is based on ADB. 2014. Information and Communication Technologies for Social Protection in the Asia and Pacific Region. Manila (TA 8686-REG).

2 SDGs target number 16.9 emphasizes provision of legal identity to all, including birth registration, by 2030 by ensuring that the large number of the poor without identification documents are able to benefit from social protection programs. Aside from this goal, social protection is also directly emphasized in targets 1.3, 5.4 and 10.4 of SDGs.
Information and Communication Technology integration in social protection programs. Among the drivers of integration of ICT into social protection is the demand for faster, more accurate, and efficient service. The demand originates both from within social protection agencies (program managers and staff) and the public in general or the beneficiaries and members. For program managers and staff, ICT introduces automation and improved data management that decreases workload, increases transparency in operations and accountability in transactions, and aids their monitoring, evaluation, and reporting functions. It also enables managers to make more informed decisions faster and be more responsive to their constituents. For beneficiaries and the public in general, ICT provides convenience (i.e., home-based online transactions), more secured transactions (as opposed to the usual cash-based transactions), and faster service.

The need for transparency and lower leakages or wastage brought about by duplication of grant of benefits or eliminating corruption also drive the move for integration. This is a concern raised in three country studies (Nepal, Philippines, and Viet Nam) where improved database management can potentially lower inclusion and exclusion errors as well as the risks of manipulation of beneficiary lists (footnote 1).

But while ICT is improving the processes by which social protection programs are being administered, there is scope to pushing the envelope further by making ICT contribute toward increasing coverage and empowering beneficiaries. ICT has contributed in the fast scale-up of successful cash transfer programs, increasing coverage to those who need assistance the most.

Good targeting, coupled with well–designed database management tools and the use of mobile money have allowed programs to reach geographically isolated areas and more poor families. The experience of M–Peså and Nepal's cash cards are examples of these mobile solutions that transfer funds to poor families through short message service. Mobile devices like tablets and smartphones allow program staff to undertake surveys, record and update information, and increase the number of poor families covered by social protection programs.

There are, however, constraints that slow down and moderate the incorporation of ICT tools for social protection. Foremost of these is the poor telecommunications and power infrastructure in developing countries. The lack of appreciation of technology by potential beneficiaries, especially the poor and elderly, also affects the pace of ICT adoption. The delayed development of technical standards necessary for the interconnection of networks and the interoperability of systems running different applications has also affected the pace of ICT deployment.

While costs have also hindered the adoption of ICT in the past, recent trends in equipment prices and technology falling to affordable levels (including smartphones and cellular phone charges) are mitigating cost considerations. An additional issue raised in Mongolia and Viet Nam, which tends to slow down ICT deployment, are cybersecurity and identity theft. In addition, while there is as yet no fully secured network or system, efforts are continuously being taken to address these concerns through continued research and development supported mostly by the private sector.

The role of ADB in developing information and communication technology for social protection programs. ADB continues to support social protection programs for its developing members. Experience with other social protection programs suggest that incorporating ICT, mostly in the monitoring and evaluation components of programs and projects, would entail between 2% and 5% of total costs. Considering the long-term returns, the cost would far outweigh the benefits.

For ADB, there is scope for increasing ICT investments for social protection by means of both lending and non–lending instruments. The country studies suggest that country conditions and preparedness will vary considerably. It also suggests that the most effective approach is one that incrementally improves internal processes and administration, including improving database management systems, financial systems and reporting. Such innovations that have developed traction in some countries, such as mobile payment solutions and money transfers and use of biometrics for a national identification system, are very promising.

For developing members, what is crucial are assessment of the ICT environment, preparedness of staff capacity, and—most important—responsiveness to the needs of target population for programs. It is important that ICT is seen as a tool that supports the implementation and reach of effective, equitable, and transparent social protection programs.

Integrating ICT in social protection programs and piloting the use of ICT would be a good starting point for achieving SDG targets. By facilitating knowledge sharing on ICT use in social protection across countries, ADB can help bridge technological gaps and promote inclusiveness through better design and implementation of social protection programs.

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3 M–Peså (M for mobile, peså is Swahili for money) is a mobile phone-based money transfer, financing, and microfinancing service launched in 2007 by Vodafone for Safaricom and Vodacom, the largest mobile network operators in Kenya and Tanzania.
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