

1 NO POVERTY



CO-MODERATORS

Michael Faye, CEO and Co-Founder, GiveDirectly
Cina Lawson, Minister of Digital Economy
and Digital Transformation, Togo

17 ROOMS GLOBAL FLAGSHIP
2021 ROOM DOCUMENTS
NOVEMBER 2021



This document was produced by Room 1, a working group for Sustainable Development Goal 1 on No Poverty, that convened as part of the annual 17 Rooms global flagship process in 2021. The [17 Rooms initiative](#) is co-hosted by the Center for Sustainable Development at The Brookings Institution and The Rockefeller Foundation. Each Room, one per SDG, was asked to identify actionable priorities that can be advanced by the end of 2022 to improve some component of 2030 outcomes for its respective Goal. Corresponding documents prepared by the other flagship Rooms are available [here](#), alongside a synthesis report prepared by the 17 Rooms secretariat.

Modeled on the success of NOVISSI, initiated by the Togolese Government to support its vulnerable people during Covid-19, Room 1 is supporting the launch of MobileAid, an initiative to build digital infrastructure for instant, scalable, adaptive, and well-targeted cash programs that are ready to respond immediately following the next crisis.

MobileAid has the potential to transform global aid delivery, but success depends on putting beneficiaries' well-being and preferences at the forefront of program design & execution. This document lays out 12 guiding principles specifically for government-led digital cash programs and is intended as an actionable checklist for maximizing the impact of digital cash delivery.

Authors: Anir Chowdhury, Stefan Dercon, Michael Faye, Jacqueline Fuller, Gargee Ghosh, Sean Kampondeni, Elizabeth Kellison, Homi Kharas, Alexia Latortue, Cina Lawson, Ralph Mupita, Michal Rutkowski, Rodrigo Salvado

Background

The economic & societal devastation of COVID-19 has affected the livelihoods of the most vulnerable disproportionately, [pushing millions into poverty](#). It has also exposed limitations in the delivery systems for crisis response and social protection. During the pandemic, cash-based measures have been planned or implemented in [186 countries](#), but the scale of the crisis provided challenges to quick, effective delivery.

Our opportunity

Today, we have an opportunity to establish digital infrastructure for instant, scalable, adaptive, and well-targeted cash programs, which are ready to respond immediately following the next crisis. Togo's NOVISSI program is an example of what is possible: amid the pandemic, Togo developed a robust and adaptable system to deliver instant cash transfers to almost a quarter of its adult population, harnessing mobile payments, data-driven methods for targeting & monitoring, and digital means for enrollment.

Why now?

COVID-19 has created political and policy momentum to digitally transform cash delivery systems. This momentum is driven both by the sheer magnitude of the crisis, and by

the proof points from the success stories which have made tangible the benefits of digitization.

Moreover, technological advances, including the rise of mobile money networks, advances in data science / machine learning, and new finance and insurance vehicles, have for the first time made instant, fully digital cash transfers possible at scale.

Guiding principles

Digital cash infrastructure & programs have the potential to transform global aid delivery, but success depends on putting beneficiaries' well-being and preferences at the forefront of program design & execution.

Important guidance has been published on this topic, including the UN Principles for Responsible Digital Payments. This document intends to add to this important conversation by laying out 12 guiding principles specifically for government-led digital cash programs that put the beneficiaries of aid first.

It includes perspectives and insights from governments, development banks, philanthropies, private & non-profit experts, and is intended as an actionable checklist for global leaders to maximize the impact of digital cash delivery.

ACCURACY & INCLUSIVITY

1. Targeting & enrollment **infrastructure is prepositioned** and able to rapidly expand social protection rosters in anticipation of a crisis or on short notice
2. Each component is designed with a **gender intentional lens**, and ensures other vulnerable groups (e.g., disabled, youth) are equitably included

EFFICIENCY

3. Service delivery is **transparent and fast**
4. System exists to **minimize fraud / leakage**, including use of biometric ID when appropriate

SAFEGUARDING

5. Systematic **discrimination isn't perpetuated** by the program, including via inequitable or biased tech, or political patronage
6. Appropriate **data protection** and privacy standards are in place
7. **Open communication channels** address grievances, offer training, & collect feedback for iterative, human-centered design

SYSTEMS STRENGTHENING

8. Systems are **well documented**, auditable and replicable
9. **Transparent third parties** provide reports on reach, results, and impact for shared learnings

ENABLING ECOSYSTEM

10. Program is **government led** and integrated with existing social protection programs where possible
11. Local regulators create a **transparent regulatory environment** that enables clear compliance with safeguarding protections
12. Program design allows for layering of **additional digital financial services** over the longer term

Principles 1 - 9 are specific to each MobileAid project, while Principles 10 - 12 involve the country's broader ecosystems (regulatory, financial, technological, etc.)

ACCURACY & INCLUSIVITY

- 1 Targeting & enrollment **infrastructure is prepositioned** and able to rapidly expand social protection rosters in anticipation of a crisis or on short notice
 - ✓ **Contactless Targeting:** At least 1 digital model is used to target beneficiaries (safety net wait list expansion, A.I. satellite & cell-data etc.) in addition to pre-existing, in-person methods
 - ✓ **Contactless Enrollment:** At least 1 digital enrollment method is provided for beneficiaries to register for the program contactlessly (SMS, phone, USSD. etc.)
- 2 Each component is designed with a **gender intentional lens**, & ensures other vulnerable groups are equitably included
 - ✓ **Multiple pathways**, digital & non-digital, are provided for marginalized groups to access the social safety net
 - ✓ **Targeted support services** are provided to help beneficiaries (i) acquire mobile phones or SIM cards, (ii) navigate forms (if digitally illiterate), (iii) select a trustee to cash-out for them if needed

EFFICIENCY

- 3 Service delivery is **transparent and fast**
 - ✓ **Transparency:** Costs are fully transparent & documented, without separate funds for program costs
 - ✓ **Speed:** For contactless models, beneficiaries are paid on the same day as enrollment
- 4 System exists to **minimize fraud / leakage**, including use of biometric ID when appropriate
 - ✓ **Biometric ID:** National biometric ID system is used to verify beneficiary identity when possible
 - ✓ **Automated ID verification:** Pre-payment sanctions screens, name de-duplication checks, & verification of names against mobile network operator data run for all beneficiaries
 - ✓ **Audit trail:** Beneficiary relationship management has a digital audit trail so all sensitive data changes can be traced

SAFEGUARDING

- 5** Systematic **discrimination isn't perpetuated** by the program, including via inequitable or biased tech, or political patronage
- ✓ **Systematic & broad-based outreach:** Program info is disseminated via community meetings, SMS, and radio, with local leaders engaged as program ambassadors
 - ✓ **Up-to-date data:** Machine learning algorithms are retrained with updated data (frequency specified by auditor/academic expert)
- 6** Appropriate **data protection** and privacy standards are in place
- ✓ **Beneficiary consent** obtained with opt-out option at any point + follow-ups to measure comprehension
 - ✓ **Limited data access:** Eligible list is created after enrollment & data consent, and deleted after the program ends; individuals' data is analyzed behind an mobile network operator firewall
 - ✓ **External review & legal protections:** License agreements are in place to protect data & code usage; if legislation is missing, external advisors must approve data protection & privacy standards for the program
- 7** **Open communication channels** address grievances, offer training, & collect feedback for iterative, human-centered design
- ✓ **Grievance reporting & investigation:** Toll-free hotline with response service level agreements provided for inbound reports / questions, and a firewalled audit team (separate office with confidential staff identities) investigates reports
 - ✓ **Staff & Beneficiary trainings:** Staff are trained on code of conduct, safeguarding, anti-bribery, anti-corruption, whistleblowing, & case management; beneficiaries receive mobile money safeguarding / digital literacy education
 - ✓ **Community feedback for iterative design:** Communities participate in focus groups, 1:1 interviews, & provide SMS feedback for the program design phase; satisfaction surveys are run throughout execution

SYSTEMS STRENGTHENING

- 8 Systems are **well documented**, auditable and replicable
- ✓ **Transparent code:** Code is fully documented and readable by future implementers
 - ✓ **External advisory council** governs the use of new tech and reviews audits on program process, tech, & financials
- 9 **Transparent third parties** provide reports on reach, results, and impact for shared learnings
- ✓ **Public documentation:** Best practices and program learnings are documented and shared publicly by third party reviewers
 - ✓ **Public learning forums:** Public talks, roundtables and conferences are hosted to drive promulgation of documented best practices and learnings

ENABLING ECOSYSTEM

- 10** Program is **government led** and integrated with existing social protection programs where possible
- ✓ **Program is led by government**, with a champion that facilitates inter-ministry coordination
 - ✓ **Capacity building / training** is provided on how to scale systems if required
 - ✓ **Program is integrated with existing social protection systems** and uses digital ID and unified beneficiary registries (if available), or is designed to allow for future integration
- 11** Local regulator(s) create a **transparent regulatory environment** that enables clear compliance with safeguarding protections
- ✓ **Local regulator(s) set standards** in accordance with local laws and international best practices (e.g. on data protection, cyber security, mobile financial services)
 - ✓ **Local regulator(s) require and monitor compliance** from participating entities (e.g. telcos, public agencies)
 - ✓ **Legal review** is conducted by all participating entities to ensure compliance with local laws, regulatory bodies
- 12** Program design allows for layering of **additional digital financial services** over the longer-term
- ✓ **Additional layering:** Infrastructure is designed to allow for easy integration of additional financial services, such as digital insurance, pension and saving schemes
 - ✓ **User adoption and experience** is prioritized, so that beneficiaries can easily participate in multiple, digital “one-stop shop” services in addition to cash transfers

Projects should inspire progress on Principles 10 - 12 over time, as countries may begin in different places with respect to social protection systems, regulatory frameworks, & digital financial service ecosystems