



A BRIEF ON THE PROJECT

Strengthening Public Financial Management for Social Protection (SPFMSP)

A major goal of the Government of Bangladesh's (GoB) National Social Security Strategy is to reform the country's social protection system by ensuring a more effective and efficient use of resources and strengthening the delivery systems. In order to contribute to the attainment of this goal, the Finance Division of the Ministry of Finance (MoF) has undertaken the Strengthening Public Financial Management for Social Protection (SPFMSP) Project. The project is assisted by UK's Department for International Development (DFID) and Australia's Department of Foreign Affairs and Trade (DFAT). Maxwell Stamp PLC assists the Government in implementing the Project.

SPFMSP falls under the umbrella of the DFID-funded Strengthening Government Social Protection Systems for the Poor (SGSP) Programme. SGSP is aimed at supporting GoB to establish policies, budgets and plans for a more effective and efficient social protection system.

The major objective of SPFMSP is to enhance the capacity of the Finance Division and six Line Ministries implementing major social protection schemes to draw evidenced-based budgets that respond to value for money, improve targeting, prevent leakages, avoid duplication, bring greater efficiency to delivery systems and establish an efficient social protection expenditure monitoring system. The six Line Ministries SPFMSP works with are: i) Ministry of Social Welfare (MoSW), ii) Ministry of Women and Children Affairs (MoWCA), iii) Ministry of Health and Family Welfare (MoHFW), iv) Ministry of Education (MoE), v) Ministry of Primary and Mass Education (MoPME) and vi) Ministry of Disaster Management and Relief (MoDMR).

The major work streams of the Project are as follows:

1. Operationalising the Social Protection Budget Management Unit (SPBMU) in the Finance Division – The purpose of establishing the SPBMU is to enhance the capacity of the Finance Division to: i) draw evidence-based social protection budgets that responds to efficiency and effectiveness objectives, ii) improve monitoring of social protection expenditure through a functional MIS to be established by the Project, and iii) analyse existing policies, procedures, systems and commission studies and research to improve/reform the existing systems. Upon completion of the Project SPBMU will continue as a permanent unit of the Budget Wing of the Finance Division.

2. Undertaking Diagnostic Studies of Existing Social Protection Schemes – The Project is commissioning diagnostic studies of seven schemes being implemented by the Project-associated Line Ministries to identify any operational or financial efficiency issues or bottlenecks in the design/ implementation of the schemes. The purpose of identifying existing issues is to improve value for money, prevent leakages, improve targeting, avoid duplication and bring greater efficiency in the delivery system, including payment of benefits.

3. Conducting Research – The Project is commissioning demand-driven, issue-based, as well as exploratory research that cuts across different schemes and Line Ministries with the objective of supporting the reform of the existing social protection system by filling gaps in knowledge and meeting requests for additional analysis.

4. Preparing Costed Plans for the Reform of Priority Social Protection Schemes – The Project will assist the Government in preparing costed plans for social protection reforms on the basis of the results of the diagnostic studies and research undertaken by the Project.

5. Establishing a Management Information System (MIS) to Track and Evaluate Social Protection Expenditure – The Project is assisting the Finance Division in establishing a functional and effective MIS to perform cross-cutting monitoring including expenditure tracking, analysis and evaluation of social protection schemes. The pilot of the SPBMU MIS will be done using the Maternity Allowance scheme of MoWCA and Old Age Allowance scheme of MoSW and thereafter rollout to other schemes and ministries will be undertaken.

6. Capacity Development – The Project is helping the SPBMU implement a number of capacity development initiatives for relevant officials from the Finance Division and the six Line Ministries. The major activities in this area are national and global training courses for suitable GoB officials focused on the different aspects of social protection relevant to the objectives of the Project and study tours for policy-level officials to acquire knowledge on best global practices in social protection.

The Project is making steady progress in all its work streams. The SPBMU has been established and continues to progress in strengthening its functions. The MIS for SPBMU has been established and successfully piloted in two schemes of MoWCA & MoSW. The Project has completed diagnostic studies of six schemes and work on the diagnostic study of seventh scheme is in progress. SPFMSP has completed a research study on the payment systems for delivery of social security benefits. On the basis of the results of diagnostic studies, the Project has developed two reform plans, one for Social Protection Payment System and the other for Maternity Allowance and Lactating Mother Allowance Programmes of MoWCA, both of which have received wide acceptance of the government. Finance Division and other Line Ministries have initiated actions for implementing the reform plans. Under its capacity development work stream, the Project has trained 305 officials on social protection public financial management through seven national courses, sent 34 officials to attend global courses on social protection and facilitated three study tours to Kenya, India and Indonesia for 26 senior policy-level government officials to learn about social protection systems of those countries.

