

# ‘Government Advisory’ capability

## MicroSave Consulting (MSC)

The world’s local expert in financial, economic,  
and social inclusion in the digital age

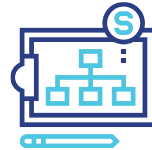
# MSC is recognized as the world's local expert in economic, social and financial inclusion



International financial, social and economic inclusion consulting firm with **25+** years of experience



**>300** staff in **10** offices around the world



Projects in **~68** developing countries

## Our impact so far

**>550**  
clients

**>1,400**  
publications

Assisted development of digital G2P services used by **>875 million** people

Implemented **>950 DFS** projects

Developed **>300 FI** products and channels now used by **>1.7 billion** people

Trained **>11,100** leading FI specialists globally

## Some of our partners and clients



# Sectors we work in

## Providing impact-oriented business consulting services



Banking, financial services, and insurance (BFSI)



Water, sanitation, and hygiene (WASH)



Government and regulators



Micro, small, and medium enterprise (MSME)



Social payments and refugees



Youth



Gender equality and social inclusion (GESI)



Education and skills



Digital and FinTech



Agriculture and food systems



Climate change and sustainability



Health and nutrition

# Multi-faceted expertise

## Advisory that helps you succeed in a rapidly evolving market



Policy and strategy



Products and channels



Research, evaluation, and analytics



Organizational transformation



Digital technology and channels



Catalytic finance



Design thinking and innovation



Marketing and communication



Training



Government regulations and policy



Data Insight

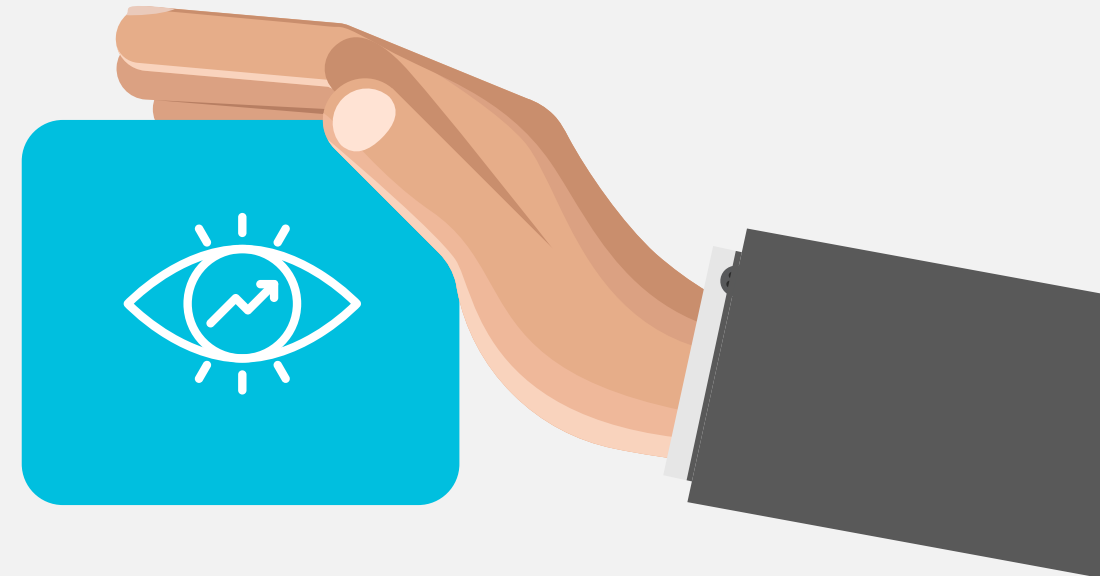


Customer protection and engagement for responsible finance

MSC's global capability on 'Government Advisory' (GoAd) seeks to make governments more effective and efficient through evidence-based solutions to drive sustainable development and uplift marginalized communities across Asia and Africa.

## Our Mission

To make governments more efficient and effective by providing consulting services rooted in action research and optimal use of digital tools, and offer solutions that are practical, implementable, and advance the sustainable development goals.



## Our Vision

To become the leading catalyst for transformative and inclusive governance in Asia and Africa

# Our work is guided by three overarching themes- strengthening state capacity, improving service delivery, and solving market failure



## Strengthening state capacity

Making government systems more efficient that enhances accountability and observability and reduces the burden on officials. An example could be our work in Public Finance Management (PFM), where the focus is ‘inwards,’ and the government tries to get its plumbing right, especially on issues like budgeting, expenditure management, and revenue mobilization.



## Improving service delivery

Making government more effective, i.e., designing, improving, and implementing policies that promote fairness and inclusivity in social systems. Unlike the first theme, the focus is ‘outwards’ and aims to improve the citizens’ experience of engaging with the government.



## Market making

Making governments focus on their core role of solving market failure. Using the regulatory and financing tools at its disposal, the hope is that the government’s ‘light touch’ can prime the market and crowd in private players across sectors such as WASH, Health, Agriculture, and Financial Services.

# Our work focuses on six service lines, which together ensure that MSC's solutions are rooted in action research and optimal use of digital tools, and offer solutions that are practical and implementable

## Policy Analysis and Research



Conducting thorough research to inform policies and programs that address specific social, economic, or environmental issues.

## Program Design and Improvement



Creating comprehensive program frameworks and providing technical advice to maximize program effectiveness.

## Capacity Building



Engaging with key stakeholders, such as communities, governments, and organizations, to study the culture, leadership, and capacities.



## Monitoring, Evaluation, and Learning

Assessing the progress and impact of programs through monitoring and evaluation to measure outcomes, identify lessons learned, and improve future initiatives.



## Piloting and Implementation Support

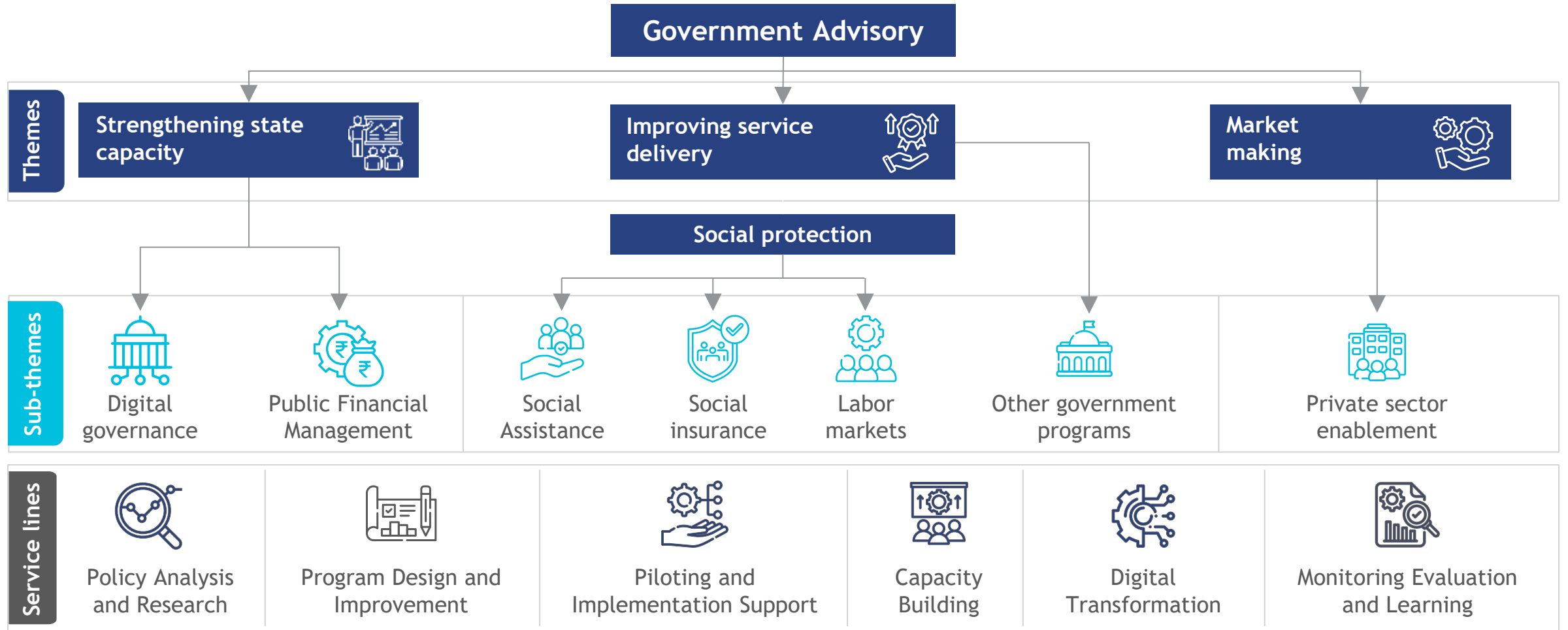
Providing hands-on support during the initial implementation phase of a program, ensuring successful execution and scaling of programs.



## Digital Transformation

Developing and implementing digital tools and technologies to enhance program delivery and impact.

# Government Advisory: Our offering at a glance



## Sectors/areas we work in



# Smart G2P

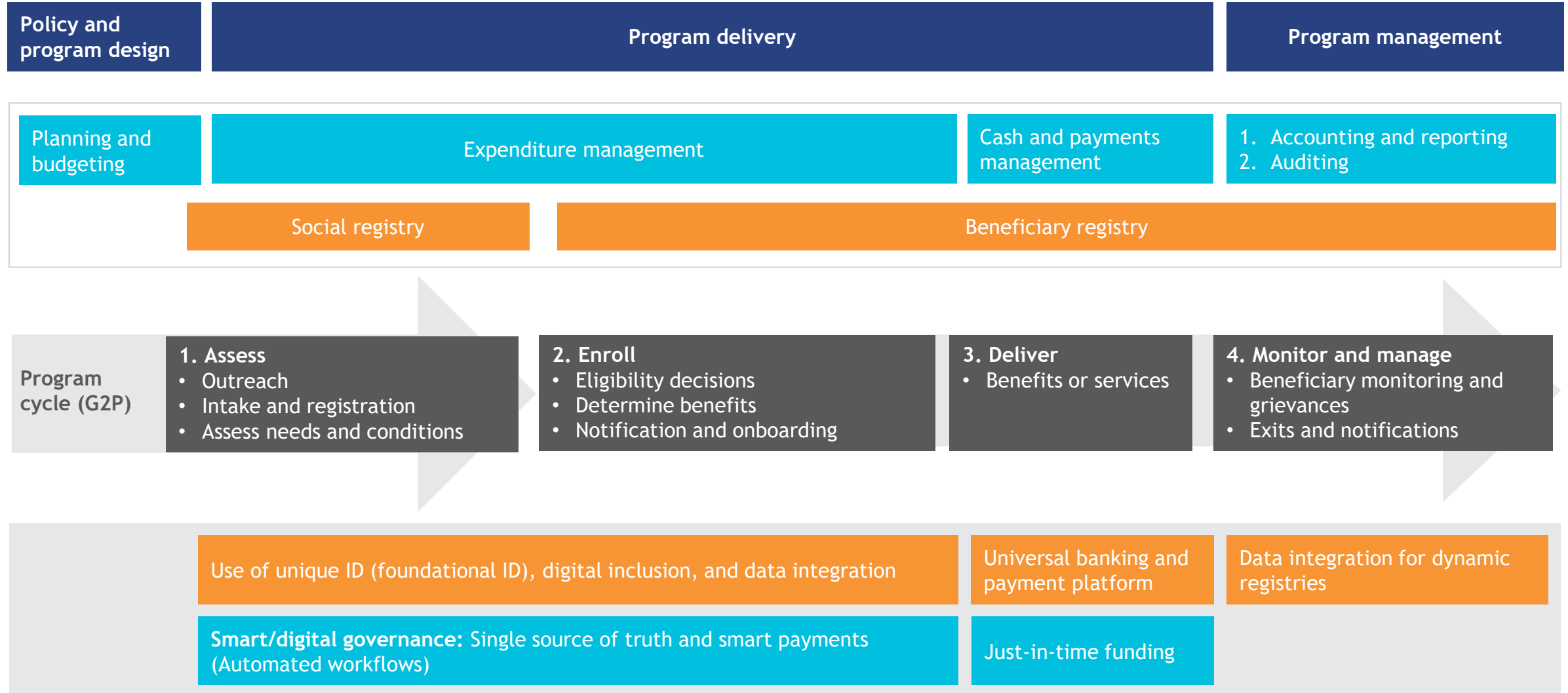


# Further, MSC envisages a ‘Smart G2P’ solution based on the principle of “ensuring the right person receives the right benefit at the right time

A ‘Smart G2P’ solution operationalizes this principle by enabling real-time, autonomous G2P benefit processing and transfer based on event-based triggers without manual intervention

G2P delivery chain stages	Features of the ‘Smart G2P’ based program delivery and management
Assess (potential eligibility)	<ul style="list-style-type: none"> <li>➤ Preferred use of real-time data collection through interoperable databases, along with the single social registry</li> <li>➤ Eligibility assessment is automated based on pre-defined criteria.</li> </ul>
Enroll (beneficiaries)	<ul style="list-style-type: none"> <li>➤ Enrolment is completely digital and automated, often with remote onboarding and instant account opening</li> <li>➤ Recipients can choose their preferred payment service provider (PSP) and access channel</li> </ul>
Deliver (benefits and services)	<ul style="list-style-type: none"> <li>➤ Condition verification and data capture are digitized to the extent possible through Internet of Things (IoT) devices</li> <li>➤ Real-time Just-In Time (JIT) payments initiated automatically through <u>automated workflows</u> (without manual intervention) based on a pull-based mechanism triggered by verified events or service delivery. For example, scholarship payments to students based on bio-metrically authenticated attendance (with geotagging) at school</li> </ul>
Manage (program)	<ul style="list-style-type: none"> <li>➤ Artificial Intelligence (AI) driven compliance monitoring, predictive analytics, and automated grievance resolution to enhance transparency and responsiveness</li> <li>➤ Automated grievance redressal and real-time beneficiary updates</li> </ul>

# MSC's bird's eye view of 'Smart G2P'



■ Integrated Social Protection Information System (ISPIS) for service delivery

■ Public Finance Management (PFM) for state capacity



**Our flagship projects**



# Our flagship projects



## Technical support to the Department of Food and Public Distribution to steer reforms in the food subsidy regime in India

India's Public Distribution System (PDS), the world's largest food security program, underwent significant digital reforms to address major inefficiencies, including a 47% leakage rate. Since 2014, MSC has supported the government in transforming the PDS through digitization, piloting cash transfers, designing the One Nation One Ration Card (ONORC), and promoting nutritional security initiatives like rice fortification and millet inclusion. These efforts helped remove 50 million fake ration cards, saving USD 22 billion, and improved benefit delivery for 800 million people while enhancing the nutritional impact of the PDS.



## Assessment of Bantuan Pangan Non Tunai (BPNT) to scale up the program across Indonesia

Indonesia's Ministry of Social Affairs launched the Bantuan Pangan Non-Tunai (BPNT) program in 2017 to improve the efficiency and targeting of welfare delivery. This program replaced the older Rastra food subsidy system. With limited experience in digitization, the Ministry engaged MSC to evaluate and support the program's scale-up. MSC's assessment across 43 cities informed operational improvements, enabling the BPNT program to expand nationally and reach over 10 million women beneficiaries.



## Design, optimization, and implementation support for India's fertilizer subsidy program

The Economic Survey of 2015-16 estimated that 65% of the fertilizer produced does not reach the intended beneficiaries—small and marginal farmers. MSC conceptualized, designed, and implemented a biometric-authenticated DBT system, piloted in Andhra Pradesh, and then rolled out nationwide in phases, which pays manufacturers only after retailers sell fertilizer to verified farmers. By March 2022, the reform cut illicit diversion by 12.1 million metric tons, saved the government an estimated USD 2.2 billion, and spurred additional measures such as higher retailer commissions, a multilingual farmer helpline, and plans for direct cash transfers tied to a national farmer database.

# Our flagship projects



## Study of the Primary Education Stipend Program (PESP) in Bangladesh

PESP expanded from small cash handouts in 2000 to quarterly mobile-money transfers of BDT 150 (USD 1.4) for 13 million children. Yet, policymakers needed evidence on how digitization affected mothers' financial control and program performance. MSC and CGD surveyed 1,200 beneficiary mothers nationwide, interviewed schools, payment providers, and officials, and reviewed Digital Bangladesh reforms to assess delivery, spill-over use of financial services, and impacts on attendance and enrollment. The findings offered data-driven recommendations guiding further improvements to PESP's efficiency and reach.



## Process re-engineering and transformation of the payment and accounts finalization processes of food subsidy in India

India's grain-procurement accounts often took 8-10 years to settle because billing was fragmented across agencies, and claims were processed manually. Commissioned by the Department of Food and Public Distribution, MSC mapped the end-to-end workflow, re-engineered processes, and designed a rule-based, real-time digital claims platform (Subsidy Claims and Advances portal)—with clear turnaround times, standardized SOPs, and automated calculations of key procurement-incidental costs. The new system shortens settlement cycles, gives the government real-time data visibility, reduces errors, and establishes a single source of truth that saves money for both the center and states.



## Support to the Government of Odisha for timely payments to urban wage seekers in MUKTA scheme

Odisha's MUKTA program, created during COVID-19 to give weekly wages to urban workers via self-help groups, was hampered by slow claim settlements and challenges in project oversight. MSC used its Smart Payment Systems (SPS) framework, designed and piloted "MUKTASoft"—a digital, rules-based payments platform with just-in-time funding and workflow automation—in 23 of 115 urban local bodies. The pilot cut payment delays by about 60%, reduced approval times from 120 days to under a week, eliminated idle cash float, and gave officials real-time visibility and better contract control.

# Our flagship projects



## Digital Public Infrastructure (DPI) for Public Financial Management (PFM) in Nigeria

Nigeria Governors' Forum's (NGF) Public Finance Programme launched the Digital Domestic Resource Mobilization (DDRM) initiative to enhance fiscal management and public service delivery across all 36 states using digital technologies, particularly DPIS. MSC assessed the DPI readiness and DPFM landscape for revenue mobilization, designed digital workflow and payment systems, and supported awareness and policy advocacy to enable DPI adoption. The initiative is aimed at improving revenue collection, expenditure management, and financial transparency while boosting the efficiency and responsiveness of public services at both the federal and state levels.



## Digital readiness assessment (DRA) in Zambia

Key G2P programs in Zambia, such as agricultural subsidies and social cash transfers, remained largely non-digitized, raising concerns among development partners over transparency and efficiency. Financial Sector Deepening Zambia (FSD Zambia) commissioned MSC to conduct a Digital Readiness Assessment (DRA) through research, expert interviews, and multi-stakeholder workshops to evaluate the ecosystem and propose digitization pathways. The resulting roadmap and operational guidelines supported the government in prioritizing digital G2P reforms, improving financial inclusion, and laying the foundation for more accountable and efficient service delivery.



## Digitization of UNHCR Zambia cash-based interventions in the Meheba refugee settlement

In Zambia's Meheba refugee settlement, refugees struggled to collect UNHCR cash assistance distributed through government ministries, prompting a search for a digital alternative. MSC used human-centered research to design, prototype, and pilot a digital payments system, build a sustainable financial model, and guide implementation with activity-based costing, monitoring, and evaluation. The shift moved 100% of transfers from cash to digital by end-2018, cutting disbursement time from 14 days to 2.5 days, lowering costs, and giving refugees faster, safer access to their funds.

# Our flagship projects



## Evaluations and technical assistance for India's LPG subsidy programs

To boost the efficiency of India's LPG subsidy programs—Direct Benefit Transfer of LPG (DBTL) and Pradhan Mantri Ujjwala Yojana (PMUY)—the Ministry of Petroleum and Natural Gas enlisted MSC to conduct rapid, evidence-based evaluations. MSC streamlined DBTL processes and user portals, strengthened messaging behind the “Give-it-Up” campaign, and ran impact studies and safety-focused communications for PMUY across three states. These improvements helped eliminate 40 million duplicate or ghost beneficiaries, saving the government USD 8.8 billion by 2023 and expanding safe LPG use among low-income households.



## DBT diagnostic and gender assessment study in India

India's DBT system now channels payments for 300-plus schemes and paid USD 66 billion to beneficiaries in 2023-24, yet its specific impact on women remained unclear. MSC surveyed recipients across 12 states, developed gender, mobility, and vulnerability indices, and analyzed six flagship programs to uncover enrolment and withdrawal hurdles and the extent to which transfers strengthen women's household influence and economic agency. The resulting policy recommendations were shared with the DBT Mission, key ministries, and international delegates at a G20-2023 side event to help make future transfers more gender-responsive.



## Impact evaluation of Program Keluarga Harapan (PKH) in Indonesia

Indonesia's flagship conditional cash transfer program, PKH, supports low-income families and promotes better access to health, education, and social services. In 2017, with over 6 million households covered, the Ministry of Social Affairs engaged MSC to evaluate the program's impact and understand beneficiary perceptions of its new bank-transfer delivery system. Using a cross-sectional study with 2,800 respondents across 15 provinces, MSC assessed welfare outcomes and provided actionable recommendations that contributed to enhancing the program for over 10 million beneficiaries.

**Our clients**



**MSC**

# Partners (1/2)

## Governments and multilaterals



### Govt. of Haryana

### Government of Bangladesh



### Govt. of Odisha

### Government of Indonesia



# Partners (2/2)

## Institutional donors and global partners

Gates Foundation



TATA TRUSTS



## Technology partners



## Domestic partners





## Appendix: An overview of our projects to date

Single slides for projects

# Links to project single slides (1/5)

G2P 	
S.No.	Projects
1	<a href="#"><u>Catalyzing inclusive development through Learning Across Borders (LAB)</u></a>
2	<a href="#"><u>Technical support to the Department of Food and Public Distribution</u></a>
3	<a href="#"><u>Transformation of social assistance programs through Digital Public Infrastructure in Indonesia</u></a>
4	<a href="#"><u>Capacity building and knowledge exchange to inform Indonesia's G2P reform agenda</u></a>
5	<a href="#"><u>Acceleration of the social assistance digitization in Indonesia (G2P 4.0)</u></a>
6	<a href="#"><u>Assessment of Bantuan Pangan Non Tunai (BPNT)</u></a>
7	<a href="#"><u>Transitioning to a targeted LPG subsidy in Indonesia</u></a>
8	<a href="#"><u>Assessment of an alternate delivery system in the Public Distribution System (PDS)</u></a>
9	<a href="#"><u>Digitizing social safety net allowances to design as a public good</u></a>
10	<a href="#"><u>Transformation of Social Safety Net payments from agent banking to MFS</u></a>
11	<a href="#"><u>Assessment of the effectiveness of PMGKAY</u></a>
12	<a href="#"><u>Assessing the uptake of the One Nation One Ration Card (ONORC) in India</u></a>
13	<a href="#"><u>Evaluation of the impact of cash transfer pilots in PDS in UTs</u></a>
14	<a href="#"><u>Analyzing genuine failure cases under AePDS in Andhra Pradesh</u></a>
15	<a href="#"><u>Impact evaluation of Program Keluarga Harapan (PKH)</u></a>
16	<a href="#"><u>National study to assess the impact of PM Kisan Samman Nidhi Yojana (PM-KISAN)</u></a>

# Links to project single slides (2/5)

G2P 	
S.No.	Projects
17	<a href="#"><u>Evaluation of the Indian government's response to COVID-19</u></a>
18	<a href="#"><u>Evaluation of the Pradhan Mantri Ujjwala Yojana (PMUY)</u></a>
19	<a href="#"><u>Impact Assessment of Modified DBT in LPG (MDBTL)</u></a>
20	<a href="#"><u>Design, optimization, and implementation support for India's fertilizer subsidy program</u></a>
21	<a href="#"><u>DBT diagnostic and gender assessment study</u></a>
22	<a href="#"><u>Study of the Primary Education Stipend Program (PESP)</u></a>
23	<a href="#"><u>Study of DBT in education in Uttar Pradesh</u></a>
24	<a href="#"><u>Digital payments economy and its uptake among street vendors under the PM SVANidhi scheme</u></a>
25	<a href="#"><u>Digitizing social safety net allowances to design as a public good</u></a>
26	<a href="#"><u>Evaluation of the Pradhan Mantri Jan Dhan Yojana (PMJDY)</u></a>
27	<a href="#"><u>Evaluation of Pradhan Mantri Jan Suraksha Yojana (PMJSY)</u></a>
28	<a href="#"><u>Digital and Financial Literacy Program for Refugees in Nyarugusu Camp</u></a>
29	<a href="#"><u>Digitization of UNHCR Zambia cash-based interventions in the Meheba refugee settlement</u></a>
30	<a href="#"><u>Curbing diversion and recycling of foodgrains in PDS</u></a>
31	<a href="#"><u>Transforming Fair Price Shops into nutrition hubs (Jan Poshan Kendras)</u></a>
32	<a href="#"><u>Integration of fortified rice into India's food security programs</u></a>

# Links to project single slides (3/5)

## G2P



S.No.	Projects
33	<a href="#"><u>Assessment of the millets supply chain and the feasibility of their integration in the Public Distribution System</u></a>
34	<a href="#"><u>Assessment of the Direct Benefit Transfer in Fertilizer (DBT-F) program of the Government of India</u></a>
35	<a href="#"><u>Implementation, management, monitoring, and evaluation support for soil-health programs</u></a>
36	<a href="#"><u>Adoption of soil health management (SHM) systems by farmers</u></a>
37	<a href="#"><u>A study on fertilizers in Indian agriculture</u></a>
38	<a href="#"><u>Support to Government of Bihar to identify and implement practical and high-impact initiatives</u></a>

# Links to project single slides (4/5)

## DPFM and digital governance



S.No.	Projects
1	<a href="#"><u>Smart payments playbook</u></a>
2	<a href="#"><u>Process re-engineering and transformation of the payment and accounts finalization processes of food subsidy</u></a>
3	<a href="#"><u>Support to the Government of Odisha, Finance Department to improve fund utilization and visibility</u></a>
4	<a href="#"><u>Support to the Government of Odisha to reduce delays in claim settlement in its flagship urban wage employment scheme, MUKTA, through the deployment of a smart payments system</u></a>
5	<a href="#"><u>Digital Public Infrastructure (DPI) for Public Financial Management (PFM) in Nigeria</u></a>
6	<a href="#"><u>Design of the payments engine and other digital applications to solve for delays in payments within government infrastructure projects</u></a>
7	<a href="#"><u>Support to the Social Security and Empowerment of Persons with Disabilities (SSEPD) department's initiative to implement a smart payment system to improve payments to schools in Odisha</u></a>
8	<a href="#"><u>A landscape study in Nigeria and Uganda to understand PFM-related challenges</u></a>
9	<a href="#"><u>Assessment of payment processes in the world's largest health insurance program</u></a>
10	<a href="#"><u>Designing models, processes, and road map for AgriStack</u></a>
11	<a href="#"><u>Digital readiness assessment (DRA) in Zambia</u></a>
12	<a href="#"><u>The Bhamashah program's impact on Rajasthan's digital governance reforms</u></a>
13	<a href="#"><u>Assessment of digital governance reforms in Krishna district</u></a>

# Links to project single slides (5/5)

## Market making



S.No.	Projects
1	<a href="#"><u>Support to Government of Bihar to identify and implement practical and high-impact initiatives in WaSH</u></a>
2	<a href="#"><u>Creation of WSS-focused investment readiness tools, templates and training materials to facilitate capital raising for MFIs/FIs</u></a>
3	<a href="#"><u>Promote the uptake of innovations in the WASH sector through a landscape assessment and policy formation</u></a>
4	<a href="#"><u>Impact assessment of capital providers and impact investors investing in the WASH sector</u></a>
5	<a href="#"><u>Demand and supply assessment for water micro-credit products in rural Tajik households</u></a>
6	<a href="#"><u>Assess the demand for Water Supply &amp; Sanitation MSME financing opportunities for financial institutions in Vietnam</u></a>
7	<a href="#"><u>Assessment of financing gap in Operation and Maintenance (O&amp;M) of sanitation facilities of schools in Odisha</u></a>
8	<a href="#"><u>Direct Benefit Transfer (DBT) payments at India Post Payments Bank (IPPB)</u></a>

Single slides for 'service delivery' of G2P program



# Catalyzing inclusive development through Learning Across Borders (LAB)

A participatory approach for cross-country collaboration

## Work areas:

Social assistance delivery, government policies and programs, DPI



## The challenge

Despite progress across the Global South, countries in Asia, Africa, and the Pacific continue to grapple with persistent poverty, inequality, limited access to healthcare, infrastructure gaps, digital divides, and vulnerabilities to climate change. Many nations lack access to a single platform for structured, cross-country learning to address these complex development challenges effectively. Additionally, the absence of demand-driven, practical mechanisms for sharing innovations and experiences has constrained governments' ability to contextualize and scale successful models from peer countries.

## Our engagement

MSC proposed LAB - a structured, participatory, and demand-driven approach designed to facilitate effective collaboration and knowledge transfer between the Global South, leveraging proven innovations in digital governance using digital technologies and DPI, financial inclusion, social protection, agriculture and food systems, health and nutrition, and inclusive development to accelerate socioeconomic reforms in the Global South. Core capabilities:

- ▶ **Participatory, demand-driven collaboration** - co-create learning agendas with partner governments and stakeholders to ensure relevance and impact.
- ▶ **Multi-modal knowledge exchange** - share proven models through briefing notes, webinars, workshops, and expert dialogues.
- ▶ **Immersive exposure visits**—Organize tailored study tours and field visits so decision-makers can see innovations in action.
- ▶ **Contextualization and adaptation support** - provide light-touch technical assistance to translate lessons into country-specific solutions.
- ▶ **Inclusive and sustainable development focus: Prioritize approaches that address poverty, social protection gaps, digital divides, climate risks, and gender inequality.**
- ▶ **Proven experience and networks** - leverage MSC's work in 68+ countries and its extensive public- and private-sector partnerships to accelerate South-South collaboration.

In the past, MSC has hosted collaborative delegations from countries such as Tanzania, Bangladesh, Nigeria, South Africa, and Indonesia.

## Clients and partners

Gates Foundation

## Outcomes and impact

- ▶ Facilitate achievement of development goals through cross-learning and adaptation of proven lighthouse innovations across countries.
- ▶ Enable countries in the Global South to contextualize and scale inclusive, sustainable solutions in digital governance, social protection, health, agriculture, and inclusive growth.
- ▶ Catalyze collaborative, demand-driven partnerships that foster practical knowledge exchange, immersive exposure, and tailored technical support.



# Technical support to the Department of Food and Public Distribution

Steering reforms in the food subsidy regime

## Work areas:

Sustainable food systems, government policies and programs, resilience, and nutrition



## The challenge

India's Public Distribution System (PDS) is the world's largest food security program. It serves free food grains to about 800 million people monthly, which costs the government USD 25 billion each year. Initially, inefficiencies plagued the PDS, which notably included a 47% loss of food grains. Then, the PDS underwent major digital reforms in the 2010s. These included the introduction of a computerized system, a digitized beneficiary database and supply chain, and automation of the ~500,000 fair price shops (FPSs) that provide the grains. The reforms have notably increased accessibility to essential food items and effectively diminished hunger levels over the past decade. However, continuous monitoring and reform of digitized systems are imperative to enhance beneficiary experience. Additionally, the Public Distribution System (PDS) needed to expand to bolster nutritional security.

## Our engagement

Since 2014, MSC has been instrumental in various initiatives of the Department of Food and Public Distribution in India. We helped pilot the end-to-end computerization of the PDS in Andhra Pradesh, Bihar, and Jharkhand and supported the transition from in-kind to cash benefits in multiple regions. MSC contributed to the design and evaluation of the One Nation One Ration Card (ONORC) program, which benefits migrant workers.

We also assisted in the *Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY)* COVID-19 response program. MSC sought to shift the focus from food security to nutritional security and formed a Technical Support Unit (TSU) at the department, which helped:

- Develop nutrition-focused initiatives, such as rice fortification, alongside implementation and monitoring support;
- Conceptualize and support pilot projects to enhance the financial viability of fair price shops (FPSs) through the FPS transformation initiative
- Design policies to diversify the food basket, including the introduction of millets into the PDS;
- Offer technical assistance on various initiatives, including ONORC, supply chain improvements, and quality assurance.

## Clients and partners

Gates Foundation, Department of Food and Public Distribution (DFPD)

## Outcomes and impact

- MSC's interventions improved the efficiency of the PDS. As a result, leakages decreased from 47% in 2011-12 to 5% in the 2020s.
- Our efforts impacted the lives of 800 million beneficiaries through efficient benefits delivery.
- The interventions helped identify and remove 42 million duplicate and fake or nonexistent ration cards (from 2013 to 2021)

### This resulted in:

- Savings of USD 16 billion until March 2022;
- Improved nutritional outcomes for 800 million beneficiaries through the distribution of fortified rice;
- Streamlined FPS operations, which included the efficient delivery of benefits through improved and digitized FPS outlets.

# Transformation of social assistance programs through Digital Public Infrastructure in Indonesia

Driving social protection transformation

## Work areas:

Government policies and programs, resilience, digital transformation

## The challenge

The Government of Indonesia is accelerating the digital transformation of its social assistance (*Perlinsos*) programs through the development of Digital Public Infrastructure (DPI), which integrates digital identity (IKD), data exchange (SPLP), account-based payments, and a centralized social assistance portal (*Perlinsos* Portal). This initiative aims to improve the accuracy, efficiency, and accountability of social assistance distribution by enabling dynamic targeting and real-time verification of beneficiaries. However, challenges persist, particularly in mistargeting—where up to IDR 127 trillion (~ USD 8 billion) in social assistance and subsidies are estimated to be inefficiently allocated due to outdated or inaccurate data.

## Our engagement

MSC provides strategic guidance to Indonesia's National Economic Council (Dewan Ekonomi Nasional) and key ministries, including the Ministry of Social Affairs, in shaping and advancing the transformation of social assistance programs through the use of Digital Public Infrastructure.



Delivering technical assistance for the development of the unified socio-economic registry (DTSEN), which serves as the foundational layer of the Digital Public Infrastructure (DPI).



Proposing a set of solutions centered on developing and DPI through the OpenG2P framework, emphasizing interoperability, data accuracy, transparency, and user-focused service delivery.



Providing expert insights at each critical stage of developing DPI to strengthen the delivery of social assistance programs.

## Clients and partners

Gates Foundation, Kementerian Keuangan Republik Indonesia, Seal of the National Economic Council

## Outcomes and impact

- MSC's high-level recommendations have been leveraged as the foundation for developing the DPI framework.
- MSC is delivering ongoing policy advisory that is instrumental in guiding the development of the *Perlinsos* Portal—a flagship national platform set to be announced by the President in August 2025 and targeted for rollout by year-end, beginning with a pilot of the PKH scheme integrated with DPI.

# Capacity building and knowledge exchange to inform Indonesia's G2P reform agenda

Enabling learning through exposure visits, cross-country insights, and stakeholder engagement

## Work areas:

Government policies and programs, service delivery, digital transformation



## The challenge

Indonesia's G2P reform agenda increasingly draws on global best practices to design more effective, inclusive, and digitized systems. International benchmarking and global best practices have been essential components in helping the government develop effective G2P reform strategies. Among peer countries, India is considered one of the most relevant benchmarks—given its comparable development context and large-scale implementation experience.

## Our engagement

Through capacity building and knowledge exchange initiatives, MSC has provided facilitation, technical assistance, and advisory support to the Government of Indonesia in accessing global insights—particularly from India—to inform the design and implementation of G2P reforms. This included coordinating exposure visits to India for cross-ministerial government delegations focused on the following topics:



### Large-scale G2P programs and digital financial inclusion

Facilitated a visit for senior government officials led by MoSA to observe large-scale G2P implementations and digital financial inclusion models in India to inform enhancements in Indonesia's social assistance programs.



### Social protection reform through Digital Public Infrastructure

Led an exposure engagement for the National Economic Council (DEN)-led delegation to examine India's use of Digital Public Infrastructure (DPI) in advancing social protection reforms in Indonesia.



### Fertilizer subsidy reform

Supported the Ministry of National Development Planning (Bappenas)-led delegation in drawing actionable insights from India's experience to guide Indonesia's fertilizer subsidy reform efforts.

## Clients and partners

BAPPENAS, Kementerian Keuangan Republik Indonesia, Seal of the National Economic Council

## Outcomes and impact

- ▶ The exposure visits enhanced cross-institutional understanding of G2P delivery innovations and provided concrete examples of reform pathways applicable to Indonesia's priorities.
- ▶ As follow-ups to the visits, MSC facilitated a series of cross-ministerial workshops to discuss strategic next steps and contextualize key lessons from India. MSC also developed detailed takeaways and structured frameworks to serve as practical guidance for the Government of Indonesia in designing and implementing G2P reforms.
- ▶ The engagement contributed to more informed policy planning, stronger institutional collaboration, and increased alignment with global standards in advancing G2P reform through digital transformation.

# Acceleration of the social assistance digitization in Indonesia (G2P 4.0)

Ways to advance social protection programs (SSP) through improvements in benefit delivery

## Work areas:

Government policies and programs, resilience, delivery, social payments



## The challenge

Indonesia has implemented comprehensive social protection systems spanning various programs aimed at reducing poverty and protecting vulnerable groups. However, challenges such as inaccurate data, limited transparency, weak targeting, and lack of interoperability have led to fewer than 50% of benefits reaching the intended recipients. To address these issues, the government is working to enhance the efficiency of social assistance delivery. Through the G2P 4.0 initiative, Indonesia aims to improve beneficiary livelihoods and promote greater financial inclusion by leveraging digital technologies. The reform was designed to empower beneficiaries by using shared infrastructure that supports payments via multiple providers, allowing them more freedom and convenience in choosing how to receive their benefits.

## Our engagement

MSC supported the Ministry of National Development Planning, in shaping and implementing the government's G2P 4.0 initiative.

- MSC led key policy-support activities by conducting evidence-based research to provide insights and recommendations, proposed a reformed process to determine incentives and delivery for payment service providers, and providing fiscal impact and cost-benefit analysis.
- On the lending side, through the Digital ID project, MSC assisted in advancing a national-scale identity verification and e-KYC platform, along with a national ID application framework. These initiatives were designed to streamline the onboarding process for G2P payments, ensuring more efficient, secure, and inclusive access for beneficiaries.

## Clients and partners

BAPPENAS, Kementerian Keuangan Republik Indonesia

## Outcomes and impact

- The recommendations from the research were adopted to guide cross-agency consultation involving Bank Indonesia, relevant ministries, service providers, and development partners.
- The recommendations were pilot-tested across seven districts in Indonesia, reaching 2,000 beneficiaries, and the ministry aims to use the result to guide potential national rollout.
- MSC's ongoing policy engagement, in collaboration with key stakeholders including the National Economic Council (DEN), is contributing to the design of strategic pathways toward the broader G2P 4.0 framework.

# Assessment of Bantuan Pangan Non Tunai (BPNT)

Technical assistance to scale up the program across Indonesia

## Work areas:

Government policies and programs, resilience, food security



## The challenge

Indonesia's Ministry of Social Affairs (MoSA) is tasked with poverty alleviation. As part of this mandate, it runs several government-to-people (G2P) subsidy initiatives, which include the food subsidy and conditional cash-transfer programs.

In February 2017, the Indonesian government digitized welfare programs to enhance efficiency and targeting. This began with the launch of the *Bantuan Pangan Non-Tunai (BPNT)*, a non-cash food subsidy program that sought to replace the existing *Beras Sejahtera (Rastra)* system. The BPNT program covered 1.2 million beneficiaries in its launch year, each of whom received IDR 110,000 (USD 7) monthly. Since this was a new program and MoSA had limited in-house experience in digitization, it sought MSC's support to scale up the program countrywide.

## Our engagement



### Evidence-gathering research and operational evaluation

Conducted an operations evaluation of the BPNT) program across 43 Indonesian cities. This evaluation included a quantitative component that covered more than 1,700 beneficiaries and 580 e-Warongs\* alongside a qualitative component that comprised 40 in-depth interviews with e-Warongs, beneficiaries, and government staff.



### Policy support

Provided feedback on the program and field-based insights from beneficiaries, bank agents, e-Warongs, and government field-level staff involved in the program implementation



### Technical assistance

Helped create operational guidelines to scale up the program

\*An e-Warong is a bank agent and designated outlet for BPNT disbursement.

## Clients and partners

Gates Foundation, Kementerian Sosial Republik Indonesia

## Outcomes and impact

- MSC's evaluation of enabled a national scale-up to more than 10 million women beneficiaries.

# Transitioning to a targeted LPG subsidy in Indonesia

Reforms in the energy subsidy regime

## Work areas:

Government policies and programs, resilience, delivery



## The challenge

Indonesia has maintained a universal LPG subsidy scheme for over a decade; however, the current approach presents significant structural inefficiencies. Due to imprecise targeting, the subsidy disproportionately benefits wealthier households, while vulnerable populations remain underserved. Additionally, the system experiences substantial leakages into commercial use, escalating fiscal burdens. These challenges are compounded by outdated data systems, which limit the government's ability to accurately identify and reach intended beneficiaries. Addressing these issues is critical for enabling a more equitable, efficient, and fiscally sustainable subsidy reform.

## Our engagement

MSC is providing strategic policy advisory to the Indonesia's National Economic Council (*Dewan Ekonomi Nasional*) in shaping a comprehensive reform of the LPG subsidy system. This reform initiative sets the groundwork for a more equitable and efficient subsidy mechanism through a phased implementation roadmap:

- Phase 0** Data readiness assessment
- Phase 1** Establish traceability and control of subsidized LPG supply chain
- Phase 2** Registration and verification of subsidized PLG consumers
- Phase 3** Allow voluntary opt-out and implement entitlement (cylinder) caps
- Phase 4** Enable bank linkages and prepare for transition to cash transfer system
- Phase 5** Launch of targeted cash transfer scheme and subsidy redistribution

## Clients and partners

Gates Foundation, Indonesia's National Economic Council

## Outcomes and impact

- MSC developed a set of high-level recommendations to support the National Economic Council in initiating the transition toward a person-targeted LPG subsidy system.
- MSC's ongoing policy advisory and stakeholder engagement actively shapes the design of the transition phase, which is set to be implemented over a 2 to 2.5-year period under the current administration.

# Assessment of an alternate delivery system in the Public Distribution System (PDS)

Evaluating the feasibility of cash transfer in Jharkhand

## Work areas:

Government policies and programs, service delivery



## The challenge

The National Food Security Act (NFSA), enacted in 2013, builds upon the Targeted Public Distribution System (TPDS) to provide subsidized food grains to the poor through fair price shops (FPSs). To address inefficiencies and leakage, the government initiated cash transfer pilots, beginning in 2015 in Chandigarh, Puducherry, and Dadra and Nagar Haveli. In a further effort to enhance subsidy delivery, a similar cash transfer pilot was introduced in Nagri, a block in the Ranchi district of Jharkhand. Under this model, beneficiaries receive an advance of the food subsidy amount, allowing them to purchase ration from FPS dealers at market prices. The government wanted to understand the feasibility of scaling up the implementation of the cash transfer.

## Our engagement

MSC followed a consultative mixed-method research process comprising a quantitative survey and qualitative in-depth discussions.

### Quantitative survey



MSC conducted a demand-side quantitative assessment with over 400 beneficiaries in each block through structured interviews. We also conducted a supply-side assessment with 30 PDS dealers in each block.

### Qualitative survey



MSC conducted qualitative in-depth discussions with key stakeholders, such as PDS dealers, TPDS beneficiaries, and officials from the Food and Civil Supply Department.

## Clients and partners

Gates Foundation, DFPD

## Outcomes and impact

- ▼ The assessment highlighted additional hassles for beneficiaries to withdraw cash from distant banking points. Based on MSC's recommendation, the Ministry of Consumer Affairs, Food, and Public Distribution decided to close the program.

# Digitizing social safety net allowances to design as a public good

Pilot study to assess the challenges and way forward of safety net delivery as a DPG use-case

## Work areas:

DPI, DPG, Social assistance delivery

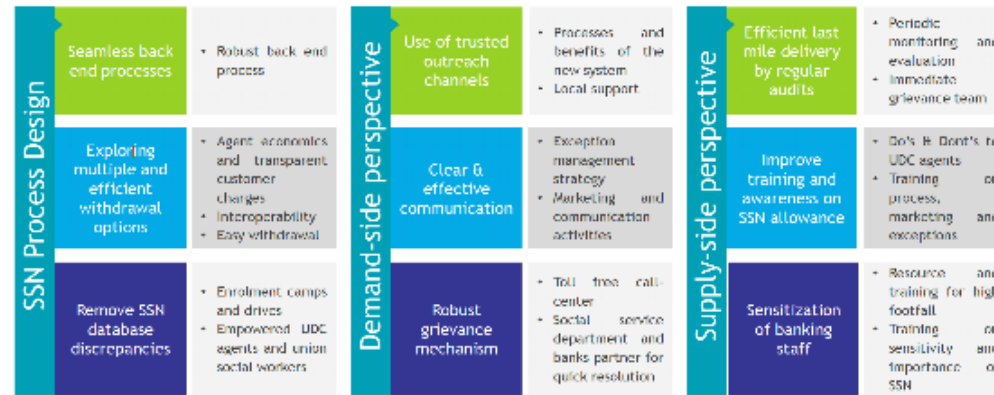


## The challenge

Despite allocating BDT 6.4 trillion (USD 52 billion), 13.92% of the national budget in FY 2018-19, to over 145 Social Safety Net (SSN) programs, Bangladesh faced persistent issues such as ghost beneficiaries, delays, and middlemen interference. Previously, funds were disbursed to joint accounts at the union level and paid out in cash after manual verification, creating inefficiencies and leakages. To address this, the government piloted a digital public good (DPG)-focused G2P electronic payment system in 2018 with a2i enabling old-age, widow, and disabled beneficiaries to receive benefits directly in their formal financial service account via biometric authentication ensuring right identity using correct payment information via a robust database.

## Our engagement

**Pilot study:** MSC conducted the first assessment of the G2P to understand the needs and feedback of the beneficiaries and the stakeholders involved. The engagement focused on mapping the end-to-end process, identifying implementation challenges, and evaluating beneficiaries' ability to adopt the new system. It also compared the digital mechanism with the earlier manual process and provided actionable recommendations for scaling and future improvements.



**Phase II:** The second evaluation in 2020 revealed that financial services delivery using a DPG, especially agent banking channel, significantly improved access and convenience for SSN beneficiaries. Beneficiaries saved up to 80% in travel and 85% in time compared to earlier methods. The pilot also exposed operational challenges like database discrepancies, authentication errors, and weak grievance redress mechanisms. Despite these, the digital mode showed promise in reducing leakages and improving delivery efficiency, particularly during the COVID-19 pandemic.

## Clients and partners

MetLife Foundation, Ministry of Social Welfare, Department of social service, a2i

## Outcomes and impact

- Using the DPG, G2P payments were made to approximately **6.6 million in phase I and 11.5 million beneficiaries in phase II** ensuring the timely, transparent delivery of SSN allowances and significantly reduced leakages and ghost beneficiaries.
- Training on using DPG for financial inclusion as a use-case and system engagement improved financial awareness and inclusion among low-income beneficiaries and frontline agents.

# Transformation of Social Safety Net payments from agent banking to MFS

Using MFS as a DPG to support and improving the implementation of SSN disbursement

## Work areas:

DPG, Social assistance delivery



## The challenge

Social protection is an important tool for the Government of Bangladesh (GoB) for reducing poverty and inequality. In the FY 2020-21 the GoB increased allocations to Social safety net (SSN) programs by 19.5% to USD 11.3 billion, from USD 9.1 billion, in response to the COVID-19 pandemic. To take care of social distancing and limited contact during ongoing COVID-19 pandemic, Department of Social Services (DSS) under the Ministry of Social Welfare launched a pilot to provide allowances to SSN beneficiaries in their mobile wallet using mobile financial services (MFS) as a digital public good (DPG). MSC supported DSS and a2i in designing MFS providers, as an alternate channel of delivery, and further developing it as a use of DPG ensuring a seamless SSN disbursement to the beneficiaries mobile wallet.

## Our engagement

- Conducted assessment to understand the process flows and implementation of SSN disbursement through MFS to help the stakeholders in improving the system.
- Organized validation workshop with DSS, WB and MoSW from the two-phased pilot of SSN digitization. The critical area of focus was to ensure how a digital public good (DPG) can solve the issues around low digital literacy, particularly among women and uneducated beneficiaries, with limited autonomy making them dependent on family members for access and PIN management.
- Study found that beneficiaries were unaware of overcharging, with 32% paying unauthorized fees during cash-outs. To scale effectively, DSS and MFS providers needed to prioritize awareness campaigns, display clear dos and don'ts at agent outlets, and enable toll-free grievance support.
- The study recommended overcoming barriers by improving digital payment literacy and communication. It advised MFS and DSS providers to use Digital Public Goods (DPG) and develop use-cases beyond cash-out, while establishing an integrated grievance mechanism through trusted channels. The recommendations also emphasized on application of DPG frameworks for gender-inclusive approaches to ensure equitable access.
- MSC presented the nuances of digitizing along with actionable recommendations to the Ministry of Social Welfare, the Department of Social Services, and the World Bank group in a knowledge dissemination workshop.

## Clients and partners

MetLife Foundation, Ministry of Social Welfare, Department of social service, a2i

## Outcomes and impact

- Validated actionable insights that enabled DSS and MoSW to execute digital payments to 11.5 million beneficiaries through MFS providers
- Digital shift to SSN payments through MFS improved transparency, reduced travel time by 80%, and cut cash-out time by 85%.
- Beneficiaries find MFS enrolment quicker and more convenient, though challenges persist—41% use others' mobile numbers, risking missed payments and fraud.

# Assessment of the effectiveness of PMGKAY

Gauge the impact of last mile protocols in PDS

## Work areas:

Government policies and programs, service delivery, food security



## The challenge

Since the COVID-19 pandemic started, the Government of India (GoI) has provided free food grains to all the National Food Security Act beneficiaries under its Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY). These grains were distributed at the scale of 5 kg per person per month. The free distribution of grains would alleviate the economic hardships caused by the COVID-19 pandemic and support beneficiary households. With the government's continued efforts to digitize the PDS delivery system, the government sought to understand the impact of the PMGKAY and the beneficiary experience in availing and consuming the ration.

## Our engagement

MicroSave Consulting (MSC) conducted this study to evaluate the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY—III and IV) last-mile delivery protocols under PDS and understand the awareness and preference of beneficiaries of these reform protocols.

The study was conducted across 19 states in November and December 2021, with an overall sample of 5,661 PDS beneficiaries and 60 FPS dealers.



Survey of beneficiaries to understand the benefit they receive and understand the issues, pain points, and expectations from the program launched by the government



Survey of FPS dealers to gauge the efforts they put into the implementation of the program launched by the government and the challenges they face in serving the beneficiaries



Analysis and preparation of a comprehensive report outlining the study's findings and recommendations to be shared with the government

## Clients and partners

Gates Foundation, DFPD

## Outcomes and impact

- MSC's recommendations from the study helped the department efficiently deliver food grains to 800 million beneficiaries during the COVID-19 pandemic.

# Assessing the uptake of the One Nation One Ration Card (ONORC) in India

Technical assistance to improve access to food security entitlements

## Work areas:

Government policies and programs, food security



## The challenge

Under the Public Distribution System (PDS), the Government of India (GoI) ensures the food security of 800 million beneficiaries through ration distribution via a network of 500,000 fair price shops (FPS). Over the past several years, the GoI has introduced many reforms to strengthen the delivery of benefits. One such reform was the One Nation, One Ration Card" (ONORC), which would allow beneficiaries in one state to lift their rations from any FPS in the country without the need to transfer their existing ration card or obtain a new one. Several challenges plagued the program's implementation, such as the low rate of growth of transactions under portability, particularly the underutilization of interstate portability, and high variation in interstate portability transactions among the states.

## Our engagement

MSC provided technical assistance to improve the program design. MSC undertook assessments and concurrent evaluations through the following:

### Research to gather evidence

We undertook in-depth discussions through semi-structured interviews and focused group discussions with beneficiaries to understand the type of migration, their awareness of ONORC, and the issues they faced when they attempted to avail of rations under portability.

We conducted semi-structured and structured interviews with the fair price shop (FPS) dealers (25) and government officials to gauge their understanding of the ONORC and evaluate the implementation status and the challenges faced.

### Advisory support

Based on the insights from the research, MSC provided actionable recommendations to the Department of Food and Public Distribution to improve the uptake of food entitlements among migrant beneficiaries under ONORC.

## Clients and partners

Gates Foundation, Department of Food and Public Distribution (DFPD)

## Outcomes and impact

- ▶ The support helped monthly transactions reach 27 million in a span of four years.
- ▶ The recommendations improved program communication as the department started sending regular SMSs to beneficiaries and FPS dealers to enhance awareness of ONORC.
- ▶ MSC's recommendations enabled the government to increase transactions under ONORC.

# Evaluation of the impact of cash transfer pilots in PDS in UTs

Gauge the efficacy of cash transfers in ensuring food security

## Work areas:

Government policies and programs, service delivery



## The challenge

Under the Public Distribution System (PDS), ration-card holders receive essential commodities, such as rice, wheat, coarse grains, and sugar, at a subsidized rate through fair price shops (FPSs) run by government-appointed distributors. The government conducted pilots on alternate subsidy delivery mechanisms to cut leakages, increase efficiency, and enable better targeting, including direct cash transfers to the beneficiary's bank accounts. In cash transfer pilots, the government provides the cash equivalent of the food subsidy directly into beneficiaries' bank accounts. Three such pilots for cash transfer were launched in three union territories (UTs), namely Chandigarh, Puducherry, and Dadra and Nagar Haveli, in 2015. The government sought to gain insights into beneficiaries' perceptions of the new benefit delivery system and its effectiveness in ensuring food security among them.

## Our engagement

MSC conducted periodic assessments of the three pilots, in 2015-16, 2018, 2020 and 2023. These assessments focused on the efficiency and efficacy of cash transfers, and the perception of DBT beneficiaries. The studies observed the changes over time in the market and behavior of beneficiaries, the socioeconomic status of beneficiaries, and nutritional and health outcomes. MSC adopted a mixed-methods study design, comprising a qualitative and quantitative component.

### Qualitative research:

MSC interacted extensively with PDS beneficiaries to understand their preferences and perception of the PDS program. Additionally, we conducted in-depth interviews with other stakeholders. These included UT government officials, representatives from the National Payments Corporation of India (NPCI), the Public Financial Management System (PFMS), the National Informatics Centre (NIC), and the Unique Identification Authority of India (UIDAI). We utilized the relative preference ranking (RPR) tool to assess the preference of beneficiaries between in-kind and cash.

### Quantitative research:

MSC conducted quantitative research with beneficiaries. The quantitative component followed a cross-sectional design coupled with multistage sampling. We conducted anthropometric measurements to assess the nutritional and health outcomes, such as height, weight, waist circumference, and mid-upper arm circumference of beneficiaries.

## Outcomes and impact

- ▶ Payment failures reduced from 5% in 2019-20 to less than 2% in 2022-23
- ▶ MSC recommended digitization of the payments that would improve visibility and reduce turn around time (TAT) from 45-60 days to < 1 month (as per Standard Operating Procedures)

## Clients and partners

Gates Foundation

# Analyzing genuine failure cases under AePDS in Andhra Pradesh

Reforms in the food subsidy regime

## Work areas:

Government policies and programs, resilience



## The challenge

In Andhra Pradesh, the Aadhaar Enabled Public Distribution System (AePDS) has revolutionized the delivery of food subsidies by ensuring transparency and real-time reporting in the Targeted Public Distribution System (TPDS). However, despite its success, the system faces persistent challenges. These challenges include insufficient mobile Internet connectivity at some Fair Price Shop (FPS) dealer locations, incorrect seeding of Aadhaar numbers, which lead to authentication failures and inactive Aadhaar accounts. As a result, genuine failure cases, where beneficiaries cannot authenticate themselves for ration purchases, totaled around 2,500 in December 2018. The goal was to address these challenges and reduce such genuine failure cases to zero, which would ensure seamless access to subsidized rations for all eligible beneficiaries.

## Our engagement

In this context, MSC undertook a mixed methods study to gather field evidence. The study sought to identify reasons behind genuine failures and assess ration delivery status through the assignment of ration cards to Village Revenue Officers (VROs). The VROs are tasked to ensure delivery to beneficiaries whose Aadhaar authentication fails.

- MSC carried out in-depth qualitative research through semi-structured interviews with beneficiaries who encountered genuine failure cases.
- Additionally, MSC also conducted personal interviews with the ration shop owners, VROs, and the department's *mandal* and district supply officers to understand the supply-side challenges in ration delivery.
- MSC conducted quantitative research with 342 beneficiaries in the "genuine failure" category. The methodology followed a purposive assessment of the cases where genuine authentication failure and lack of access to other methods have led to non-receipt of the rations.

## Clients and partners

Azim Premji Philanthropic Initiatives, Government of Andhra Pradesh

## Outcomes and impact

- Based on MSC's recommendations to reduce the exclusion of beneficiaries, the Andhra Pradesh government initiated a pilot in September 2019 to distribute food grains to beneficiaries at their doorsteps.
- After the government incorporated the feedback received from the pilot, the model was launched in the entire state in February 2021.

# Impact evaluation of Program Keluarga Harapan (PKH)

Ways to advance financial inclusion through improvements in benefit delivery

## Work areas:

Government policies and programs, resilience, social payments, public health



## The challenge

PKH is Indonesia's largest conditional cash transfer program administered by the Ministry of Social Affairs (MoSA). It intends to reduce the expenditure burden on the country's low-income families. PKH also seeks to change the behavior of these families around access to health, education, and other social welfare services. A couple of years into the program's launch, in 2017, PKH covered more than 6 million households with a targeted spending of around USD 720 million. MoSA intended to understand this program's impact on its beneficiaries and tasked MSC to present a snapshot of PKH's performance. The MoSA also sought to assess beneficiaries' perceptions toward the new delivery process, under which the amount is transferred directly to beneficiaries' bank accounts.

## Our engagement



MSC conducted detailed quantitative cross-sectional research on a sample of 1,400 beneficiaries and non-beneficiaries each, selected from 15 provinces across the country.



The evaluation followed a modified regression discontinuity design and compared the results of the treatment and comparison groups.



The study evaluated the impact of PKH on key welfare, health, and education indicators and provided recommendations to enhance the program's achievements.

## Clients and partners

Gates Foundation, Kementerian Sosial Republik Indonesia

## Outcomes and impact

- MSC provided a report on the impact of PKH to relevant stakeholders.
- The recommendations from the study on PKH's operations and design helped improve the experience of more than 10 million beneficiaries under the program.

# National study to assess the impact of PM Kisan Samman Nidhi Yojana (PM-KISAN)

Impact evaluation of income support extended to farmers

## Work areas:

Government policies and programs, resilience, DBT



## The challenge

The Indian government remains steadfast in its commitment to address the myriad challenges farmers face nationwide. The government recognizes agriculture's crucial role in India's economy and the livelihoods of millions and has implemented various measures to alleviate farmers' burdens. One significant initiative was the *Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)* income support program. This landmark program offers financial assistance to landowner farmers and provides them with INR 6,000 (USD 72) annually, released in three installments of INR 2,000 (USD 24) each. MSC conducted a pan-India study to evaluate the program's impact on farmer's agricultural outcomes and agri-productivity.

## Our engagement

MSC conducted a nationally representative study, which covered an overall sample of 13,443 farmers across 20 states. The study covered marginal, small, medium, and large farmers and supply-side officials. It had the following objectives:



### Efficacy of the cash transfer

It sought to assess targeting, enrollment, inclusion or exclusion, timeliness, and beneficiaries' and farmers' perceptions of the program.



### Impact on agriculture

It sought to assess the change in agricultural practices, production, quality, or types of inputs bought or used.



### Change in the financial status of farmer households

It sought to assess and measure the change in the financial status of farming households after the implementation of the PM-KISAN program.

## Clients and partners

Gates Foundation, Kementerian Sosial Republik Indonesia

## Outcomes and impact

- ▶ The study's recommendations helped the government streamline the benefit delivery process with the potential to impact 120 million farmers.
- ▶ We designed an evidence-based action plan for the government to improve the targeting of beneficiaries.

# Evaluation of the Indian government's response to COVID-19

Gauging the impact of the GOI's interventions to address COVID-19's impact

## Work areas:

Government policies and programs, service delivery



## The challenge

In the wake of COVID-19 and the countrywide lockdown imposed on 25 March 2020, the Government of India (GoI) and the state governments responded swiftly to secure the poor and vulnerable population. One key measure was the announcement of a relief package worth INR 1.70 lakh crores (USD 22.4 billion) as part of *Pradhan Mantri Garib Kalyan Yojana (PMGKY)*. This package included new government-to-person (G2P) payments, advance payments under existing G2P programs, in-kind assistance, and the expansion of healthcare services, among others. The government wanted to understand the impact of these interventions to improve service delivery and scale up the welfare programs.

## Our engagement

MSC conducted a pan-India study in three rounds with more than 5,000 beneficiaries to assess the effectiveness of the GoI's interventions, particularly under the PMGKY program for vulnerable segments during COVID-19. These interventions included the Public Distribution System (PDS), Mid Day Meal (MDM), Pradhan Mantri Ujjwala Yojana (PMUY), Pradhan Mantri Jan Dhan Yojana (PMJDY), Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), and the National Social Assistance Program (NSAP). The study sought to inform policymakers at the central and state levels about the on-ground situation to facilitate informed decision-making. MSC engaged in the following key activities:



We surveyed beneficiaries across 18 states and union territories to understand the benefits they receive and their issues, pain points, and expectations with the program launched by the government.



We surveyed middle-mile service providers to gauge the efforts put into the implementation of the program launched by the government.



We analyzed and prepared comprehensive multi-round reports, which outlined the study's findings and recommendations to be shared with the government.

## Clients and partners

Gates Foundation

## Outcomes and impact

- The reports were widely circulated among all relevant government ministries, which included the Prime Minister's Office and state governments. The study was mentioned in the 2020 monsoon session of the Parliament.
- The study's insights helped policymakers design new programs and modify existing programs to better support those affected by COVID-19 and its economic impact.
- The study's findings contributed to the creation of a dashboard to help policymakers view, monitor, and track the state-wise progress of interventions.

# Evaluation of the Pradhan Mantri Ujjwala Yojana (PMUY)

Technical assistance to improve the PMUY delivery

## Work areas:

Government policies and programs, financial inclusion, clean energy, climate change



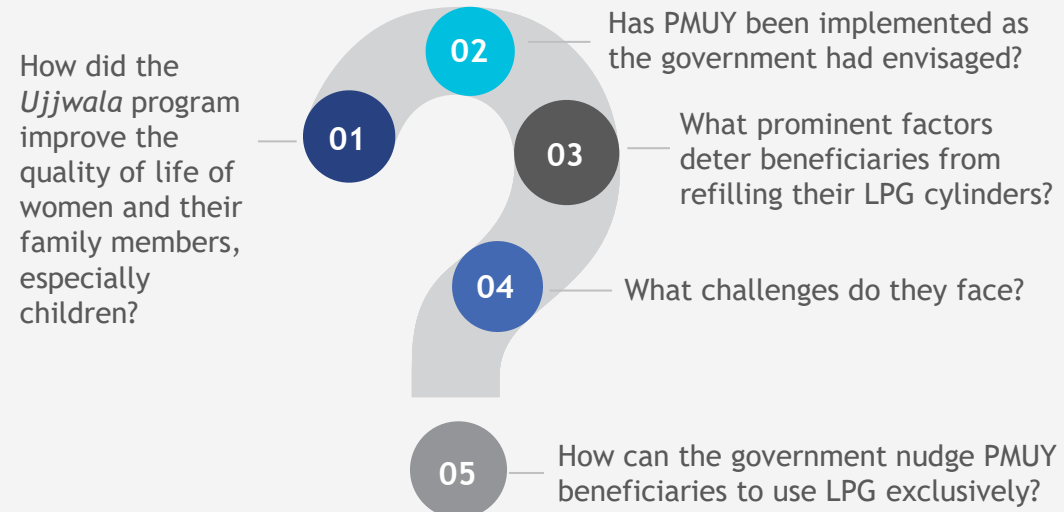
## The challenge

The Ministry of Petroleum and Natural Gas (MoPNG) launched the *Pradhan Mantri Ujjwala Yojana (PMUY)* in May 2016. It eliminated the most significant impediment to the use of liquefied petroleum gas (LPG) for India's poor households—the high cost of entry. PMUY has provided financial support for 50% of the total price, or INR 1,600 (USD 25), to poor households to help them buy an LPG stove. The PMUY program provided low-cost LPG connections to more than 89 million beneficiaries since its inception. The PMUY program received seed funding from savings realized from the digitization of the LPG subsidy and the “Give it Up” campaign. The program was a classic example of subsidy redistribution to people with low incomes. As it was a newly launched program, the MoPNG sought MSC's support to identify operational challenges and barriers to the adoption of LPG to plan its future course of action.

## Our engagement

The research sought to understand the initiative's overall impact on health, social, and economic factors. MSC conducted rounds of assessment in 12 districts of eastern, central, and western Uttar Pradesh. Another quick assessment in Uttar Pradesh, Madhya Pradesh, and Chhattisgarh followed these rounds.

MSC employed quantitative and qualitative tools for the research and sought to answer the following questions:



## Clients and partners

Gates Foundation, Ministry of Petroleum and Natural Gas

## Outcomes and impact

- Based on the recommendations, the MoPNG directed oil marketing companies (OMCs) to defer the recovery of loan amounts from the *Ujjwala* beneficiaries.
- Based on MSC's recommendations, the MoPNG instructed OMCs to conduct dedicated drives to increase safety awareness among PMUY beneficiaries. The ministry also designed audiovisual collaterals for safety that were televised in the media. As a result of MSC's input, the initiatives to drive safety became an integral part of the program and helped increase safety awareness among more than 80 million PMUY users.
- The ministry accepted MSC's recommendation to allow PMUY beneficiaries to choose two small (5kg) LPG cylinders instead of the large (14.2 kg) cylinder.

# Impact Assessment of Modified DBT in LPG (MDBTL)

Assessing demand side and supply side experience with the program

## Work areas:

Government policies and programs, financial inclusion, clean energy, climate change



## The challenge

Direct benefit transfer for LPG was first launched in March'2013 in India to increase the uptake of clean fuel for cooking. Though, it did not work out as per the expectations and hence was dropped midway. “Modified Direct Benefit Transfer in LPG (MDBTL)” better known as PAHAL was launched in 54 pilot districts in the month of November'2014. After satisfactory progress in terms of LPG consumers registered for the scheme, it was subsequently launched across the country from 1st January'2015. In the scheme a grace period of three months was provided during which consumers were to enrol themselves to continue receiving subsidy in their bank accounts. Failing which they would have to buy gas cylinder at market price. The Ministry of Petroleum and Natural Gas (MoPNG), sought to evaluate the efficiency of the updated Direct Benefit Transfer (DBT) program and its implications for both beneficiaries and LPG dealers. Additionally, the government aimed to address any procedural obstacles to ensure the seamless execution of the program.

## Our engagement

MSC performed two rounds of assessment and the following key activities as a part of the engagement:



Supported design of front end processes for routing cooking gas subsidy directly to bank accounts



Commissioned by government to evaluate PAHAL from client as well as dealer perspective



Supported communication of the “Give It Up” campaign

## Clients and partners

Gates Foundation, Ministry of petroleum and natural gas

## Outcomes and impact

- MSC's recommendations paved way forward for successful MDBTL implementation and subsidy rationalization through 'Give it Campaign'. It sought to encourage middle income households to give up their subsidy voluntarily.
- The government of Indonesia extended an invitation to MSC following its work on fuel subsidy in India, seeking insights from the Indian experience and assistance in rationalizing their own fuel subsidy program.

# Design, optimization, and implementation support for India's fertilizer subsidy program

Rationalization of the fertilizer subsidy program

## Work areas:

Sustainable food systems, resilience, government program and policies



## The challenge

India is the world's second-largest consumer of fertilizers. The Government of India provides a subsidy to farmers when they buy fertilizers, which amounted to USD 10.90 billion in 2019-20. The Economic Survey of 2015-16 estimated that 65% of the fertilizer produced does not reach the intended beneficiaries—small and marginal farmers. The government implemented the Integrated Fertilizer Management System (iFMS) to track fertilizer's movement from production points to retail outlets. Yet, it could not curb the illicit diversion of fertilizer. The government brought the fertilizer subsidy under the Direct Benefit Transfer (DBT) system to check the leakages. The challenge was to develop a model for DBT in fertilizer distribution and ensure it worked effectively and efficiently for millions of farmers.

## Our engagement

MSC conceptualized and designed the DBT system, beginning with a pre-pilot in two districts of Andhra Pradesh, followed by a pilot in 14 districts, and culminating in the national rollout. Throughout these phases, MSC provided continuous design and implementation support via rapid and concurrent evaluations.

The DBT system leverages India's unique digital identity infrastructure, primarily the Aadhaar biometric ID, to authenticate farmers at the point of sale, ensuring subsidies are delivered directly and transparently to genuine beneficiaries. With the shift to the DBT system, the government now pays subsidies to manufacturers only after retailers sell fertilizer to authenticated beneficiaries. This authentication process relies primarily on India's Aadhaar system—a nationwide unique identity card that includes biometric information.

Beyond DBT, MSC recommended further reforms to improve subsidy efficiency, including moving urea under the Nutrient-based Subsidy (NBS) scheme, creating a comprehensive farmer database, capping fertilizer entitlements, and piloting direct cash transfers (DCT) to farmers. MSC designed the DCT pilot and assessed the digital readiness of states to implement it, again relying on digital ID systems to ensure accurate beneficiary targeting.

## Clients and partners

Gates Foundation, Ministry of Chemicals and Fertilizers

## Outcomes and impact

The government saved an estimated USD 2.2 billion up to March 2022. This was achieved through a reduction of 12.1 million metric tons (MMT) of fertilizer sales to retailers, which had previously been diverted or leaked during distribution.

The government took the following actions based on our recommendations:

- It doubled the commission for retailers and cooperatives from INR 9 (USD 0.14) per bag of urea to INR 20 (USD 0.30) per bag;
- It created a multilingual call center to resolve farmers' queries on DBT in fertilizers;
- It implemented the detailed operational recommendations made by MSC for greater program efficiency.

# DBT diagnostic and gender assessment study

Evaluation of the DBT program's gender-centricity

## Work areas:

Government policies and programs, gender



## The challenge

The Government of India revolutionized the delivery of government benefits with the introduction of the Direct Benefit Transfer (DBT) in 2013 to ensure accurate targeting of beneficiaries, deduplication, and reduced fraud. DBT covers more than 300 programs and has enabled the quick and efficient transfer of more than 66 billion USD to beneficiaries in 2023-24 alone. Studies suggest direct transfers can improve women's socioeconomic outcomes, such as health, education, and economic empowerment. However, we had insufficient research to measure DBT's impact on female beneficiaries in India.

## Our engagement

MSC conducted this research to analyze the beneficiaries' experiences and fill crucial knowledge gaps in the implementation of DBT programs. MSC conducted a mixed-methods study with 4,000 beneficiaries across 12 Indian states enrolled in six key DBT programs. These included the programs specifically targeted toward women and adolescent girls. As part of the study, MSC:



Identified operational and implementational challenges that affected beneficiaries' experiences of enrollment and withdrawals from the programs;



Evaluated the gender-centricity of DBT programs to observe how the selected programs impacted women's decision-making, time, and stature within the household;



Created a "Gender Assessment Tool" to study how women access, withdraw, and use funds;



Created a "Mobility Index" and "Vulnerability Index" based on correlation analysis to evaluate DBT's impact on economic and normative outcomes for women.

## Clients and partners

Gates Foundation

## Outcomes and impact

- The policy recommendations to improve women's access to key DBT programs and their use were presented to the DBT Mission and the Government of India's select ministries.
- The study's findings were also presented at a side event of the G20 summit in 2023.

# Study of the Primary Education Stipend Program (PESP)

Assess the impact of digital benefit transfers on students and beneficiary mothers

## Work areas:

Education, government policies and programs, service delivery, digital transformation



## The challenge

Bangladesh's Primary Education Stipend Programme (PESP) was launched to promote universal primary education. It initially provided BDT 25 (USD 0.23) quarterly, per beneficiary. After its expansion in 2003, it started to offer BDT 150 (USD 1.4) quarterly, per beneficiary, which benefitted nearly 10 million mothers and covered 13 million children. This conditional cash transfer program was provided based on the student's attendance and academic performance. The initiative significantly impacted basic education indicators. Moreover, the transition to direct transfer to mobile banking accounts, initially with SureCash and later with Nagad, enhanced cost-efficiency and service quality and further amplified the program's impact. The government wanted to understand the overall impact of digital transfers on the financial empowerment of beneficiary mothers and the digital payments ecosystem for G2P in Bangladesh.

## Our engagement

MSC and the Center for Global Development (CGD) collaborated to study the efficacy of delivery during cash distribution and digital payments, understand mothers' control over the stipends, examine digital exposure's spillover effects on financial services, and track the program's objectives, such as enrollment and attendance rates. We undertook the following exercises for the study:

### Evidence-gathering research

- Conducted a secondary literature review of the Digital Bangladesh initiatives
- Conducted a pan-Bangladesh quantitative study, which covered 1,200 beneficiary mothers
- Conducted a qualitative study with beneficiary mothers and supply-side stakeholders, which included school principals, payment service providers, and government officials

### Policy evaluation and advisory support

- Analyzed the data and shared the findings and policy recommendations with the CGD

## Clients and partners

Center for Global Development (CGD)

## Outcomes and impact

- The project showcased the crucial Digital Bangladesh initiative to an international audience, which included donor institutions and philanthropies.
- The study provided data-informed guidance to national policymakers to make the PESP more efficient, effective, and impactful.

# Study of DBT in education in Uttar Pradesh

Impact assessment of the transition to DBT in the delivery of child-centric benefits

## Work areas:

Education, social payments, government policies and programs, service delivery, digital transformation



## The challenge

Earlier, the Department of Basic Education, Uttar Pradesh, distributed in-kind child-centric benefits to elementary school students under the *Samaagra Shiksha Abhiyan (SSA)*. In 2018, MSC collaborated with the department to identify and offer recommendations to streamline processes for in-kind distribution. As a result, the government revamped the SSA in 2021. A significant aspect of this initiative was the transition to cash DBT for child-centric benefits. Uttar Pradesh led by example and implemented DBT for students' school uniforms, under which the state deposited INR 1,100 (USD 13) each directly into parents' Aadhaar-seeded bank accounts. The department sought MSC's expertise to assess the effectiveness of the new DBT system.

## Our engagement

MSC conducted a mixed-method assessment to capture beneficiaries' experiences of both the in-kind and newly introduced cash transfer methods of benefit delivery. Additionally, it sought to gauge school principals' perceptions about the transition and the overall program implementation.

### Mixed-method assessment



As part of the assessment, MSC covered 1,016 beneficiary parents in the quantitative survey and 75 beneficiary parents in the qualitative surveys conducted in the state. Additionally, we conducted 18 stakeholder interviews with school officials, principals, and headteachers as part of the qualitative surveys.

### Advisory support



Based on the assessment findings, MSC assisted the Department of Basic Education to identify existing gaps in program implementation. MSC also provided recommendations to improve the program's effectiveness and enhance the overall experience for beneficiaries.

## Clients and partners

Gates Foundation, Basic Shiksha Parishad Uttar Pradesh India

## Outcomes and impact

- ▶ The Government of Uttar Pradesh announced an additional INR 100 (USD 1.2) to buy stationery, which benefitted 19 million school students. This was aligned with MSC's suggestion to expand the quantum of benefits.

# Digital payments economy and its uptake among street vendors under the PM SVANidhi scheme

Study to assess the uptake of digital payments among street vendors

## Work areas:

DPI, DPG, Social assistance delivery



## The challenge

The PM SVANidhi scheme was launched by Ministry of Housing & Urban Affairs (MoHUA), India, to formalize street vendors by providing them financial assistance for working capital and promoting the adoption of digital payments among them. Although a large number of street vendors have adopted digital payments since the launch of the scheme, the size of the digital payments economy among street vendors and factors that enable or limit their adoption is presently unknown. MoHUA engaged MSC to conduct a study to estimate the market size and potential of digital payments being conducted by the street vendor community in the country, and to understand the challenges and drivers of digital payments adoption among street vendors to improve its usage among them.

## Our engagement



Design qualitative and quantitative research tools to conduct field surveys among street vendors and other key stakeholders



Conduct primary research in seven States across the country among street vendors and other stakeholders including NPCI, ULB officials, banks and digital payment aggregators (DPAs)



Conduct data extrapolation to estimate the market size of digital payment transactions among street vendors



Develop insights and recommendations to promote the uptake and usage of digital payments among street vendors

## Clients and partners

Gates Foundation, Ministry of housing and Urban Affairs

## Outcomes and impact

- ▶ Estimated digital payments economy of approximately 2 crore street vendor population of the country
- ▶ Recommendations and actionable insights to promote the uptake and usage of digital payment channels among street vendors

# Digitizing social safety net allowances to design as a public good

Pilot study to assess the challenges and way forward of safety net delivery as a DPG use-case

## Work areas:

Monitoring and evaluation, digital financial services,

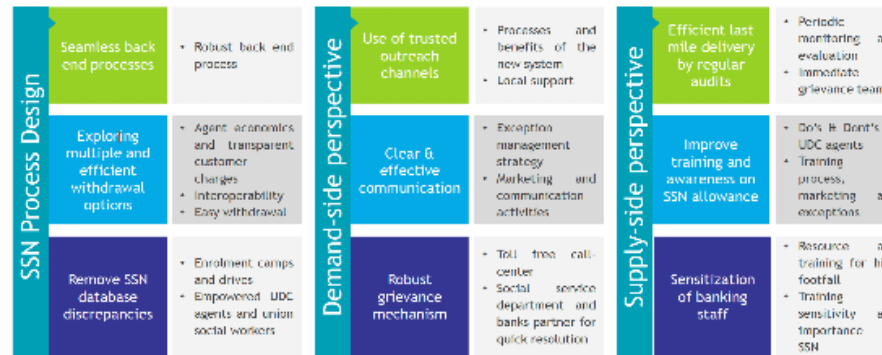


## The challenge

Despite allocating BDT 6.4 trillion (USD 52 billion), 13.92% of the national budget in FY 2018-19, to over 145 Social Safety Net (SSN) programs, Bangladesh faced persistent issues such as ghost beneficiaries, delays, and middlemen interference. Previously, funds were disbursed to joint accounts at the union level and paid out in cash after manual verification, creating inefficiencies and leakages. To address this, the government piloted a digital public good (DPG)-focused G2P electronic payment system in 2018 with a2i enabling old-age, widow, and disabled beneficiaries to receive benefits directly in their formal financial service account via biometric authentication ensuring right identity using correct payment information via a robust database.

## Our engagement

- Pilot study:** MSC conducted the first assessment of the G2P to understand the needs and feedback of the beneficiaries and the stakeholders involved. The engagement focused on mapping the end-to-end process, identifying implementation challenges, and evaluating beneficiaries' ability to adopt the new system. It also compared the digital mechanism with the earlier manual process and provided actionable recommendations for scaling and future improvements.



- Phase II:** The second evaluation in 2020 revealed that financial services delivery using a DPG, especially agent banking channel, significantly improved access and convenience for SSN beneficiaries. Beneficiaries saved up to 80% in travel and 85% in time compared to earlier methods. The pilot also exposed operational challenges like database discrepancies, authentication errors, and weak grievance redress mechanisms. Despite these, the digital mode showed promise in reducing leakages and improving delivery efficiency, particularly during the COVID-19 pandemic.

## Clients and partners

MetLife Foundation, Ministry of Social Welfare, Department of social service, a2i

## Outcomes and impact

- Using the DPG, G2P payments were made to approximately **6.6 million in phase I and 11.5 million beneficiaries in phase II** ensuring the timely, transparent delivery of SSN allowances and significantly reduced leakages and ghost beneficiaries.
- Training on using DPG for financial inclusion as a use-case and system engagement improved financial awareness and inclusion among low-income beneficiaries and frontline agents.

# Evaluation of the Pradhan Mantri Jan Dhan Yojana (PMJDY)

Assessment of PMJDY's impact and challenges for beneficiaries

## Work areas:

Government policies and programs, financial inclusion



## The challenge

*Pradhan Mantri Jan Dhan Yojana (PMJDY)* has been among the world's most significant financial inclusion initiatives. PMJDY is India's national mission on financial inclusion as ensured access to financial services to the otherwise excluded sections of society. Since its launch, it has brought more than 500 million people into the formal banking system through *Jan Dhan* bank accounts. Among these accounts, approximately 55.5% belong to women, and 67% have been opened in rural or semi-urban areas. The Department of Financial Services (DFS) wanted to understand the quality of services offered to account holders and the impact of the *Bank Mitras* (BMs) deployed countrywide. It sought to expedite account opening and ease financial products' availability to account holders.

## Our engagement

MSC conducted three rounds of assessment from October 2014 to December 2015 under the guidance of the Department of Financial Services (DFS), the Ministry of Finance. We adopted a mixed-methods approach in the assessments through quantitative and qualitative interviews with customers and BMs. This assessment was conducted in three rounds:

### Evidence-gathering research

**Round 1 and 2:** We held the assessment across similar geographies in nine states and 41 districts. The sample covered 2,039 BMs in round 1 and 1,700 BMs in round 2. We interviewed around 8,797 and 4,514 PMJDY customers for rounds 1 and 2, respectively.

**Round 3:** This round of research was nationally representative and covered 18 states and 42 districts. We assessed a sample of 1,627 BMs for round 3 and interviewed 4,859 PMJDY customers.

### Policy evaluation and advisory support

We analyzed the data collected to extract findings around transaction volumes by BMs, customer preferences for transaction points, agent satisfaction with remuneration and likelihood to continue services, and customer savings behavior and financial literacy.

## Clients and partners

Gates Foundation

## Outcomes and impact

- ▶ The insights from each round of assessment helped the government map the movement of the indicators that measure the impact and efficacy of PMJDY's implementation.
- ▶ The study's findings were shared with the Department of Financial Services. This paved the way ahead to enhance financial inclusion efforts in India.

# Evaluation of Pradhan Mantri Jan Suraksha Yojana (PMJSY)

Assessment of the experiences of customers and “Bank Mitras”

## Work areas:

Government policies and programs, financial inclusion



## The challenge

*Pradhan Mantri Jan Dhan Yojana (PMJDY)* is India’s national mission on financial inclusion. Its objective is to ensure access to financial services, such as the availability of a basic savings bank account, access to need-based credit, remittance facility, insurance, and pension for the otherwise excluded sections. Since insurance is a vital component of financial inclusion, the Ministry of Finance of the Government of India launched the *Jan Suraksha* program nine months after PMJDY. These included two insurance programs namely *Pradhan Mantri Suraksha Bima Yojana (PMBSY)* and *Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)*. The Ministry sought MSC’s support to examine the implementation of the program from the last-mile perspective of the customers or beneficiaries and the distribution channel or Bank *Mitras* (BMs).

## Our engagement

MSC conducted a national-level assessment of the Jan Suraksha programs’ performance and awareness levels from two perspectives, as detailed below:

Parameters	Customer perspective	Distribution channel perspective
Enrollment and renewal of policies	Customer enrollment and renewal processes, awareness levels around the processes, and insurance literacy	Targeting of customers, awareness of program features or the product, enrollment or renewal processes, information dissemination
Claims	Awareness levels around the claim process	Claim process analysis and efficiency
Operational efficiency	Feedback and grievance resolution	Support mechanisms, commissions, grievance resolution, and capacity building
Attitude toward Jan Suraksha	Knowledge, perception, and purchase behavior	Assessment of BMs and motivation to sell insurance

- Documented areas of improvement in the programs;
- Provided recommendations to relevant stakeholders to enhance *Jan Suraksha* implementation.

## Clients and partners

Gates Foundation

## Outcomes and impact

The study suggested measures to remove process friction in the PMJSY program that would result in improved service delivery and enhanced customer experience.

# Digital and Financial Literacy Program for Refugees in Nyarugusu Camp

Improving the digital and financial literacy of refugees using technology based tools

## Work areas:

Payment system, Product Development, and pilot testing



## The challenge

Nyarugusu camp, located in Kasulu district in Tanzania, is the oldest of the three refugee camps, initially established in 1996 to host Congolese refugees. However, it had to host more than 70,000 Burundians due to Burundi's political crisis causing severe overcrowding. At the time of this project, the camp had more than 140,000 refugees. UNCDF envisions the financial inclusion of refugees by strengthening and establishing savings groups complemented by financial and digital education. UNCDF contracted MSC (with Arifu and Fundación Capital) to develop and test digital and financial literacy programs for refugees in Nyarugusu delivered through various modes, such as in-person training, SMS-based delivery, and tablet-based delivery.

## Our engagement

MSC conducted the following activities, together with Arifu and Fundación Capital:

- Conducted secondary and primary research to assess the refugees' financial and digital literacy needs. The research also addressed the best way to reach the refugees or the methodology to reach the learners, the utility of the existing infrastructure and ecosystem to deliver financial and digital literacy, and the assessment of knowledge, skills, attitudes, and practices;
- Developed curriculum for in-person, SMS-based, and tab-based learning;
- Trained the trainers who were GNTZ staff, incentive workers, and other development partners in the camp on all content using the three modes of delivery;
- Developed pilot plans and conducted a baseline survey with the target market and translated content to Kirundi and Kiswahili;
- Prepared the final report followed by the verification workshop;
- Refined the program material.

## Clients and partners

UNCDF

## Outcomes and impact

- In the pilot, 256 learners engaged in the content consumed an average of 24.7 messages per learner. In total, all learners on the platform pulled 6,331 messages.
- In the implementation phase, 22,000 refugees accessed the material. All learners completed all modules and the average time spent on each module was 16 minutes.

# Digitization of UNHCR Zambia cash-based interventions in the Meheba refugee settlement

Technical assistance to digitize  
payments to refugees

## Work areas:

Payment System, Product Development,  
and pilot testing



## The challenge

United Nations High Commissioner for Refugees (UNHCR) Zambia provided cash assistance to refugees in the Meheba settlement through the Ministry of Community Development and Social Services (MCDSS) and the Ministry of Home Affairs (MHA). UNHCR ran the cash transfer program to provide initial assistance to the newly arrived refugees and continuous support to the vulnerable category of refugees. However, refugees continued to struggle while they tried to receive this money in cash due to various reasons. UNHCR wanted to investigate and address these challenges encountered in cash disbursement through digitizing the cash payments.

## Our engagement

MSC supported UNHCR by performing the following key activities as a part of the engagement:

- Conducted market research using human-centered design (HCD) and behavioral research to understand the needs and preferences of the beneficiary and non-beneficiary refugees, the UNHCR team, government ministries, and the potential agents;
- Designed and tested the product prototypes to make recommendations to the potential partners on product solutions;
- Developed a sustainable financial model that would project potential scenarios and refugee behaviors for UNHCR, partner DFS providers, agents, and refugees;
- Conducted activity-based costing to understand the cost-benefit analysis of existing cash payments and envisaged digital payments of the cash-based intervention for UNHCR;
- Designed the pilot implementation plan to include baseline parameters and objectives;
- Supported the launch along with the monitoring and evaluation of the two payments to the beneficiaries through DFS providers;

## Clients and partners

UNCDF

## Outcomes and impact

- MSC successfully converted 69% of the total transactions from cash to digital in the first payment.
- By the end of 2018, 100% of the cash payments were converted to digital. Digitizing the payments helped reduce the operational cost of disbursement to UNHCR and the disbursement period.
- The payment disbursement period was reduced from 14 days to just 2.5 days. This reduction was expected to help beneficiaries focus on building their livelihoods instead of spending up to five days “following the money.”

# Curbing diversion and recycling of foodgrains in PDS

Making India's PDS supply chain secure and transparent

## Work areas:

Food security, supply chain reform, technology for governance, quality control



## The challenge

India's Public Distribution System (PDS) moves millions of tons of subsidized foodgrains every month through a vast supply chain—from procurement of foodgrains at the procurement centers to their delivery at the fair price shops (FPSs). However, systemic vulnerabilities have resulted in:

- **Diversion risks** at transport and FPS levels, including use of ghost vehicles, tampered GPS logs, and under-weighting.
- **Recycling of rejected/substandard grains**, especially during milling and procurement stages, aided by weak quality checks.
- **Inadequate real-time traceability** of foodgrain movement and non-uniform digital integration across states.
- **Low disincentives for malpractice** and limited accountability of private actors in the supply chain.

## Our engagement

MSC conducted an end-to-end landscape assessment of the PDS supply chain across four states - Bihar, Chhattisgarh, Gujarat, and Jharkhand, and also interacted with Food Corporation of India (FCI) and Goods and Service Tax (GST) officials to identify the gaps and scope of potential diversion and recycling of foodgrains in the PDS supply chain through:

- Stakeholder interviews with state government officials, procurement agencies, millers, depot officials, transporters, FPS dealers, and beneficiaries.
- Field diagnostics of procurement centers, godowns, transport hubs, and FPS outlets. Additionally, we visited CWC's smart warehouse in Karnal, Haryana to assess the technical interventions used to enhance the warehouse management practices.
- Analysis of data inconsistencies, quality control gaps, and incentive structures that perpetuate diversion.
- Mapping of supply chain vulnerabilities and operational behaviors leading to recycling and ghost transactions.

## Clients and partners

Gates Foundation, Department of Food and Public Distribution (DFPD)

## Outcomes and impact

- Based on MSC's findings, three joint inspection teams of officials from Govt of India were formed to assess the inefficiencies of the PDS operations in Jharkhand. The state has submitted a 90-day roadmap with process-wise corrective measures.
- To curb the diversion or fictitious procurement practices, a pilot has been initiated in Odisha for the integration of AgriStack with the state procurement systems to determine the farmer's eligibility for sale of foodgrains.
- Revamping of the Central Foodgrains Procurement Portal (CFPP) and Central Foodgrains Storage Portal (CFSP) is being undertaken to make them more intelligent for real-time monitoring and automated insights for actionable policy decisions.
- Enhancing the physical verification mechanisms by deploying cross-audit teams to independently assess stock quantity and quality at procurement centers, rice mills, godowns, and FPSs.
- Development of smart warehousing to strengthen godown operations making them more transparent.

# Transforming Fair Price Shops into nutrition hubs (Jan Poshan Kendras)

Driving nutritional security and enhancing FPS viability

## Work areas:

Nutrition security, public distribution system reforms, and local economic development.



## The challenge

India's network of over 530,000 Fair Price Shops (FPSs) forms a vital component of the nation's food security program, ensuring foodgrain supply to more than 800 million poor and vulnerable beneficiaries each month. However, FPSs have traditionally been restricted to distributing subsidized cereals, limiting their potential to address India's persistent nutritional challenges. Despite improvements in food security, nutritional outcomes such as anemia (67% in children under five), child wasting (19.3%), and low dietary diversity remain significant issues, particularly in rural and economically disadvantaged communities. Simultaneously, low financial returns threaten the viability of FPS operations, endangering their role as a crucial last-mile government service provider. Thus, a dual challenge exists: to enhance the nutritional impact of FPSs while ensuring their economic sustainability.

## Our engagement

MSC has been partnering closely with the Department of Food and Public Distribution (DFPD), Government of India, to strategically transform FPSs into Jan Poshan Kendras (JPKs). MSC provided comprehensive end-to-end support, including conceptualizing the JPK initiative, facilitating stakeholder coordination, and assisting with on-ground implementation across multiple states.

Specifically, MSC's engagement includes:

- **Pilot design:** MSC developed the foundational concept note and comprehensive pilot design, identifying key intervention components—such as commodity diversification, market linkage strategies, dealer training approaches, and financial solutions.
- **Training and capacity building:** MSC drafted the nutrition literacy module and delivering practical sessions on leveraging digital commerce (ONDC) for FPS dealers.
- **Supply chain development:** Facilitated partnerships between FPS dealers and major B2B aggregators (such as Udaan). Also supported in establishing robust market linkages with local Farmer Producer Organizations (FPOs) and Self-Help Groups (SHGs), enabling direct access to locally-produced, nutritious commodities aligned closely with community preferences.
- **Promotion of nutritional literacy:** MSC designed specialized IEC materials and branding strategies, orienting FPS dealers as 'Poshan Mitras'—trusted local nutrition ambassadors guiding communities toward balanced diets.

## Clients and partners

Gates Foundation, Department of Food and Public Distribution (DFPD)

## Outcomes and impact

- MSC implemented the JPK pilot across 90 FPSs in three states (Uttar Pradesh, Rajasthan, and Madhya Pradesh), directly improving access to affordable and nutritious commodities for more than 100,000 beneficiaries.
- Enhanced the economic sustainability and monthly income of participating FPS dealers by diversifying their product offerings, improving their average income by USD 115 per month.
- Strengthened community engagement and awareness effectively disseminating nutritional literacy, promoting balanced diets, and driving local dietary diversification.

# Integration of fortified rice into India's food security programs

The transition from food security to nutrition security

## Work areas:

Sustainable food systems, food fortification, food and nutritional security



## The challenge

Poor nutrition adversely impacts the health of low-income people in multiple ways and may lead to debilitating disorders, such as anemia and stunting. The Government of India's social safety net programs have tried to enhance program design from “food safety” to “nutritional safety.” One such program is the fortification of rice kernels with essential nutrients, such as iron and vitamin B12, and their distribution through the Public Distribution System (PDS), which catered to more than 800 million beneficiaries. The challenge in the program was the need to develop robust capabilities to blend 250,000 tons of regular rice with high-quality fortified rice kernels (FRKs). This was to be followed by regular and efficient monthly distribution of nutritionally enhanced rice to 800 million beneficiaries countrywide. The initiative seeks to combat the widespread prevalence of anemia in India, which affects 60% of the country's population.

## Our engagement

MSC helped the Department of Food and Public Distribution spearhead the rice fortification initiative from the initial pilot phase in 2020 to the full-scale nationwide implementation by March 2024. The key areas of assistance were strategy formulation, implementation roadmap, and engagement with all the Indian states and union territories. Our technical support ensured a seamless rollout and facilitated real-time monitoring of the program's progress.

MSC conducted extensive studies in four states—Andhra Pradesh, Bihar, Punjab, and Uttar Pradesh. Our insights helped strengthen the supply chain and develop a digital solution to enhance the transparency and efficiency of both supply chain management and quality controls. The solution was being deployed as a pilot in one state.

MSC also conducted regional learning workshops in Varanasi and Vijayawada to create a platform for state governments and other key stakeholders to share their experiences and lessons on the implementation of the rice fortification program, its benefits, and its impact.

## Clients and partners

Gates Foundation, Department of Food and Public Distribution (DFPD)

## Outcomes and impact

- MSC's intervention ensured improved nutritional outcomes for 800 million beneficiaries through the efficient distribution of fortified rice.
- The intervention impacted the lives of more than 500 million women and children through the efficient delivery of quality fortified rice in schools (PM-POSHAN program), Anganwadi centers, and fair-price shops for PDS.
- We helped 16 states and union territories in India create a sustainable fortification roadmap.
- We supported capital investment worth an estimated INR 20 billion (USD 240 million) to establish FRK manufacturing units, blending units, and lab infrastructure.
- The intervention led to potential employment for more than 50,000 people in the fortification ecosystem.

# Assessment of the millets supply chain and the feasibility of their integration in the Public Distribution System

Improving dietary diversity and enhancing nutrition security

## Work areas:

Agri-nutrition linkages, nutrition security, sustainable food systems, dietary diversity, farmer welfare



## The challenge

The Government of India (GoI) has improved food security for 81 crore people through the Targeted Public Distribution System (TPDS). Still, micronutrient deficiencies persist, prompting interventions like rice fortification and supplementation programs. The government now seeks to enhance nutrition security by diversifying the food basket by including millets. A comprehensive assessment was required to understand the availability, affordability, and supply chain dynamics of millet production and distribution. Additionally, understanding market factors, consumer demand, and the willingness of beneficiaries to adopt millet consumption is essential to ensure the successful integration of millet into food security programs.

## Our engagement

- MSC conducted comprehensive landscape studies in four Indian states: Rajasthan, Uttar Pradesh, Karnataka, and Maharashtra. These studies mapped major millet (bajra, jowar, ragi) production, supply chain logistics, and beneficiary preferences, providing insights into the feasibility of integrating millets into the TPDS.
- We evaluated the existing procurement and distribution mechanisms and ongoing government programs that incentivize and support the millet ecosystem, identifying gaps and best practices for scaling millet production and its subsequent integration.
- An in-depth economic analysis was performed to assess the financial viability of millet cultivation for farmers, considering factors such as crop productivity, input costs, and MSP. Additionally, the analysis explored the economic costs for governments to procure and distribute millets through the PDS.

## Clients and partners

Gates Foundation, Department of Food and Public Distribution (DFPD)

## Outcomes and impact

- **Phased roadmap for millet distribution:** we developed a tangible, phased approach for millet distribution across the country, prioritizing states based on production capacity and supply chain readiness.
- **Optimized supply chains:** identified gaps and mapped value chains to streamline millet procurement and distribution.
- **Data-driven policy insights:** our economic analysis informed the financial viability of millet farming for farmers and integration costs for the government.
- **Beneficiary awareness and acceptance:** insights into consumer preferences and behaviors will help design targeted behavioral change interventions, encouraging increased millet consumption.

# Assessment of the Direct Benefit Transfer in Fertilizer (DBT-F) program of the Government of India

Rationalization of the fertilizer subsidy program

## Work areas:

Monitoring and evaluation, Sustainable food systems, resilience, government programs and policies

## The challenge

India is the world's second-largest consumer of fertilizers. The Government of India (GoI) subsidizes farmers on purchasing fertilizers. The fertilizer subsidy amounted to USD 10.90 billion during 2019-20. However, fertilizer distribution has become prone to "leakages" over the years. The Economic Survey of 2015-16 estimated that 65% of the fertilizer produced does not reach the intended beneficiaries—small and marginal farmers. The GoI implemented the Integrated Fertilizer Management System (iFMS) to track the movement of fertilizers from production points to retail outlets, yet the leakages could not be curbed. The GoI brought the fertilizer subsidy under the Direct Benefit Transfer (DBT) system to further check the leakages. The challenge was to develop a model for DBT in fertilizer distribution and ensure its effective and efficient functioning to serve millions of farmers.

## Our engagement

The National Institute for Transforming India (NITI) Aayog and the Department of Fertilizers (DoF) sought technical assistance from MSC. With financial support from BMGF, MSC played a pivotal role in rationalizing the fertilizer subsidy program in India through DBT. We undertook the following activities and interventions:

- ▶ Helped conceptualize and implement the pre-pilot in two districts of Andhra Pradesh. Also supported the implementation of a pilot in 14 districts and helped the GoI scale from pre-pilot and pilot to a national rollout, undertaken in phases
- ▶ Assessed the implementation and supported the design at each stage through concurrent evaluations at the pre-pilot, pilot, and national rollout stages. The first three rounds of the evaluation comprised the pilot districts, while the fourth round included the pan-India rollout. The evaluations followed a cross-sectional design. The final pan-India study covered 1,182 retailers and 11,281 farmers as respondents
- ▶ Provided rigorous and rapid feedback to the government during project implementation. This helped stabilize the model throughout the pre-pilot, pilot, and national rollout

## Clients and partners

NITI Aayog, Emblem of India

## Outcomes and impact

- ▶ Published a detailed report on the study findings
- ▶ An estimated savings of USD 1.4 billion up to December 2019 for the GoI. Achieved a reduction of 12.1 million metric tons (MMT) of fertilizer sales to retailers, which was previously either diverted or leaked during distribution

# Implementation, management, monitoring, and evaluation support for soil-health programs

Evaluation of soil health cards and other programs to improve the use of soil nutrients in India

## Work areas:

Climate resilient agriculture, government program and policies, and soil health



## The challenge

Each year, India produces 98.38 million metric tons (MMT) of wheat, 110.15 MMT of rice, and 22.95 MMT of pulses. However, its crop yields are lower than those of top producers, such as China, Brazil, and the USA. This is partly due to nutrient deficiencies from excessive use of chemicals and insufficient use of organic fertilizer. The Government of India launched the Soil Health Card (SHC) program in 2015 to solve this problem. The SHC program provides farmers with soil quality reports based on 12 key elements to guide optimal fertilizer use.

In 2015, the government also introduced urea coated with neem (*Azadirachta indica*) extract to prevent its industrial misuse and reduce leaching. It also reduced the weight of urea bags from 50 kg to 45 kg to encourage balanced use of other nutrients, such as phosphorous and potassium. A significant challenge that persists in this context is how to implement and monitor these large-scale programs for millions of Indian farmers.

## Our engagement

MSC evaluated the impact of India's Soil Health Card (SHC) and related programs and offered monitoring, evaluation, and implementation support.

- In 2016, a behavioral study in Andhra Pradesh's Krishna district examined barriers to the use of SHC and effective communication methods with farmers. The study analyzed SHC generation, distribution, and usage patterns.
- In 2018, MSC conducted a nationwide study across 54 districts in 18 states to gauge SHC awareness, availability, and use. MSC recommended establishing decentralized, real-time soil testing facilities with active farmer participation to build trust in soil assessments and promote balanced use of NPK and organic fertilizers.
- In 2021, MSC assessed the impact of neem-coated urea and the reduced 45kg urea bag on fertilizer usage.

## Clients and partners

Government of India Department of Fertilizers, Gates Foundation, NITI Aayog

## Outcomes and impact

- The Indian government tested 52 million+ soil samples and distributed 222 million soil-health cards. MSC has helped the government transform this massive program and make it more effective and relevant for farmers.
- The government started the "Development of Model Villages" pilot, under which it collects soil samples with farmers' participation. For the pilot, the government identified 6,954 villages to test 2.3 million soil samples.
- The change in the retail unit of urea reduced urea consumption per hectare by 8%. It also changed the NPK use ratio from 7:3.1:1 to 6.5:3.1:1.

# Adoption of soil health management (SHM) systems by farmers

Design, development, and scaling of business models to increase the awareness and adoption of soil health management systems by smallholder farmers in Bihar, India

## Work areas:

Climate resilient agriculture, Policies and reforms



## The challenge

The imbalanced use of soil nutrients and the deficiency of nutrients in soil leads to nutritionally poor crop yields, degradation of soil, and additional spending on agri-inputs in India. The Government of India (GoI) launched the Soil Health Card (SHC) program in February 2015 pan-India to address the issue of improper use of soil nutrients. However, the uptake and use of SHM systems by smallholder farmers remained limited. This was due to farmers' lack of active involvement during the SHM lifecycle, delay in delivery of SHCs, lack of comprehensible SHC information, bite-size recommendations for different crop growth stages, and periodic interactions with farmers.

## Our engagement

MSC worked with AgTechs, such as Krishitantra and Amalfarm, to create a sustainable business model around the adoption of SHM systems by smallholder farmers. MSC and its partners engaged with smallholder farmers to create awareness of the use and importance of soil testing and balanced soil nutrients. MSC used the following approach to provide the solution for soil health analysis and handholding support to encourage the adoption of soil health management systems.

Solution	How?	Desirables features of the solution
Technology or service provider to test soil health	Krishitantra through Amalfarm	<ul style="list-style-type: none"><li>Low turnaround time</li><li>Easy to comprehend fertilizer recommendations</li><li>Fertilizer recommendation as per crop life cycle</li><li>Customized fertilizer recommendation as per fertilizer used</li><li>Maintain purity of soil samples</li></ul>
Communication with farmers to create awareness	MSCMSC's field staff's field staff	<ul style="list-style-type: none"><li>Involvement of farmers in the sample collection process</li><li>Collection of soil samples from the field of individual farmers</li><li>Involvement of farmers while distributing or communicating the results of soil analysis</li></ul>
Capacity building of farmers to use soil test recommendations	MSC'sMSC's field staff field staff	<ul style="list-style-type: none"><li>Capacity building of farmers to use the information available through soil health analysis</li><li>Addressing farmers' concerns about productivity loss</li></ul>

## Clients and partners

Gates Foundation, Krishitantra

## Outcomes and impact

- Farmers adopted and owned a comprehensible soil health information card in the project geographies.
- The yield increased by 14%, and expenditure on fertilizer decreased by 1% for the treatment group over the control group of smallholder farmers.
- Coordination among key stakeholders and the state government was effective, and the SHM program was implemented through village-level entrepreneurs using existing resource institutions.
- Smallholder farmers were willing to continue with periodic soil testing and a sustainable business model for AgTechs.

# A study on fertilizers in Indian agriculture

Estimation of greenhouse gas emissions from India's fertilizer sector across its value chain, and identification of pathways to reduce emissions by 2030

## Work areas:

Climate resilient agriculture, Policies and reforms, climate mitigation



## The challenge

India is the world's second-largest fertilizer consumer. Over the years, the GoI has implemented many subsidy policies and reforms to increase the accessibility and affordability of fertilizers for farmers. These initiatives have encouraged increased consumption and use of fertilizers countrywide.

In 2021-22, India consumed 63.64 million metric tons (MMT) of fertilizers, with urea making up 54%. Fertilizer subsidies from the Government of India are highly skewed toward urea, which leads to nutrient imbalances that degrade soil quality and reduce yields while increasing greenhouse gas emissions. To meet its 2030 target of reducing emissions intensity by 45%, it is critical to devise pathways to optimize chemical fertilizer use, improve farmer resilience, and decrease GHG emissions from chemical fertilizer production and use.

## Our engagement



Estimated the greenhouse gas emission profile of India's fertilizer sector across the entire value chain.



Identified eight priority approaches to reduce, optimize, or replace synthetic fertilizer use, exploring associated opportunities and risks.



Analyzed initiatives at various levels to reduce emissions from fertilizer production and use, identifying factors behind successes and failures.



Investigated national and state policies to optimize fertilizer use, including motivations, outcomes, barriers, and differences across states, fertilizers, and crops.



Examined fertilizer use trends over the past 10 years and BAU projections for 2030 across different fertilizers, states, and major crops.

## Clients and partners

NDA

## Outcomes and impact

- ▶ The comprehensive greenhouse gas emission profile for India's fertilizer sector provides data-driven insights to inform policymakers on the current and projected state of fertilizer use.
- ▶ Strengthened policy frameworks and more effective implementation of fertilizer optimization policies at national and state levels.
- ▶ The identified pathways can serve as a roadmap for transitioning to more sustainable fertilizer practices. By understanding the risks and opportunities, stakeholders can make informed decisions that balance environmental benefits with economic and practical considerations.

# Support to Government of Bihar to identify and implement practical and high-impact initiatives

## Work areas:

Government policies and programs, policy integration



## The challenge

- Bihar faced structural gaps in service delivery across rural development, healthcare, WaSH, agriculture, and gender sensitive issues . Key issues included inadequate sanitation and public health infrastructure, limited livelihood opportunities for women and SHGs, lack of institutional capacities, fragmented service delivery, and limited access to modern amenities, especially for marginalized groups.

## Our engagement

- Rural Development: Enabled cabinet approval for JEEViKA Nidhi, proposed Kanya Vivah Mandaps in all panchayat.
- Healthcare: Developed PPP models for medical colleges, announced Bihar Cancer Care & Research Society, proposed declaring cancer a notifiable disease, and integrated SAAJ App for wellness.
- WaSH: Facilitated IRFC support for 20 Pink Toilets across the state, highway WaSH centers, and Bihar Swachhta Sansthan (sanitation skills institute); developed models for wastewater reuse and material recovery.
- Gender: Advanced ideas across 11 departments including Pink Buses, Digital Didis, women-only markets, tourism-based livelihoods, and gender-sensitive policing.
- Agriculture: Anchored establishment of National Makhana Board, proposed a Digital Agriculture Directorate, CSR Cell, and FPO financing architecture.
- Labour: Proposed Bihar's first Gig Workers Social Security Bill.

## Clients and partners

Gates Foundation, Government of Bihar

## Outcomes and impact

- 13 gender inclusive ideas included in FY26 Budget.
- JEEViKA Nidhi cleared for INR 900 Cr infusion; PM-level launch planned.
- 20 Pink Toilets under implementation; Sanitation skills institute under implementation.
- Bihar Cancer Society, Kanya Vivah Mandaps, and Digital Didis formally announced in state budget.
- National recognition with Makhana Board announcement in Union Budget.
- Strengthened GoB's institutional ecosystem with inter-departmental coordination, scalable models, and evidence-based policy integration.

Single slides for ‘state capacity’ through DPFM and ‘digital governance’



# Smart payments playbook

Guide to automation and digitization  
of government payment processes

## Work areas:

Public Finance, Process reengineering,  
Digital Transformation

## The challenge

Public Financial Management (PFM) systems are often constrained by manual processes that increase the risk of delays, errors, and inefficiencies. Despite the growing adoption of digital tools, many government transfers still rely on human interventions, limiting transparency and enabling rent-seeking behavior. The concept of smart payments offers digitally enabled, automated, and traceable transactions, offering a solution for these challenges. However, limited guidance on its implementation, coupled with constraints in the technological capacity of government officials, resulted in the development of a smart payments playbook. The playbook acts as a guidebook to aid the seamless adoption of government payments across the three payment types - government-to-government (G2G), government-to-business (G2B), and government-to-person (G2P).

## Our engagement

- Conducted multi-stakeholder consultations across G2G, G2B, and G2P payment types to map existing fund flow processes and identify the challenges of payment disbursement.
- Designed a comprehensive implementation framework to guide users through identifying challenges, evaluating existing technology infrastructure, selecting the most suitable smart payment solution, and aligning roles across people, platforms, and processes
- Developed real-world case studies for each payment type that demonstrated how smart payment principles were applied in varied use cases, such as fiscal transfers (15th Finance Commission grant devolution to local bodies), vendor payments (in a rural road construction scheme at the Central level), and citizen benefits (for urban wage employment scheme in Odisha).
- Facilitated validation workshops with key stakeholders—government departments, domain experts, and technology partners—to refine the playbook and ensure its relevance, clarity, and practicality for end users.

## Clients and partners

Gates Foundation, Ministry of Housing & Urban Affairs, Housing and Urban Development Dept. Govt. of Odisha, Ministry of Rural Development, and others.

## Outcomes and impact

- Advocated the concept of smart payments as a digital PFM solution through workshops, consultative sessions, and circulation of the playbook across ministries, state departments, and development partners.
- Enabled government practitioners to adopt smart payments to minimize manual interventions and improve observability
- Accelerated digitization of PFM systems, reducing costs and improving turnaround times for public transfers
- Strengthened governance and accountability in public fund flows through practical, scalable implementation guidance

# Process re-engineering and transformation of the payment and accounts finalization processes of food subsidy

Streamline the process of state claims, account finalization, and settlement for the procurement and distribution of foodgrains

## Work areas:

Public Finance, Process reengineering, Digital Transformation



## The challenge

The Government of India (GoI) procures wheat, rice, and coarse grains from the Food Corporation of India (FCI) through centralized procurement and from state agencies through decentralized procurement at a Minimum Support Price (MSP). GoI reimburses the FCI and state agencies for the costs incurred in the procurement operations. However, there are significant delays of 8-10 years in settling the accounts due to the lack of a centralized system for billing and accounting, lack of visibility on the actual payments made by the state agencies for procurement incidentals, and manual processing of claims at the state and central level. Despite efforts to improve the procurement and distribution systems, these delays continue to have financial implications for both the central and state governments.

## Our engagement

The MSC team identified bottlenecks in the payments and account finalization process and developed a digitized, rule-based, real-time claims settlement and record-keeping system for food subsidy payments to enhance efficiency.

MSC completed the assignment in three phases: Diagnose, Benchmark, and Define & Design. The team analyzed the entire process and payment mechanisms, focusing on three themes: Platform (level of digitization and technology), People (roles and responsibilities), and Processes (steps involved and turnaround times). After the deliberations with DFPD, the team converged on three specific interventions that would simplify the payment and account settlement with the states:

**Process reengineering:** It clearly defined TATs, roles and responsibilities, and escalation matrix and eliminated redundant steps by creating an SOP.

**System Digitization:** The intervention revamped the existing system into a new rule-based, real-time digital system. Based on the SOP, the MSC team created a Functional Requirement Specification (FRS) for the new system.

**Methodologies for PI fixation:** The MSC team suggested a methodology for computing three key Procurement Incidentals: Transportation, Handling, and Mandi Labor Charges based on the analysis of historical data and the PPI guidelines released by the DFPD.

## Clients and partners

Gates Foundation, Department of Food and Public Distribution (DFPD)

## Outcomes and impact

- **Cost saving** of ~USD 384 mn for GoI and states due to reduction in account finalization and settlement timelines
- **~70% and ~67%** reduction in the turnaround time for subsidy transfer and issuance of provisional cost sheets respectively
- **100%** digital submission of cost sheets and claims by the procuring states, **100%** of the payment instructions sent electronically, and **100%** claim documents & formats unified, standardized and digitally signed with a complete electronic trail and traceability
- **37%** fewer processing layers - streamlined from 127 to 80
- **100%** stakeholders onboarded (state procurement agencies, DFPD and FCI)

# Support to the Government of Odisha, Finance Department to improve fund utilization and visibility

Implementation of the Just-in-Time funding solution for efficient government transfers

## Work areas:

Due diligence, Solution scoping, Solution design, Pilot implementation, Monitoring & evaluation

## The challenge

The Odisha government has one of India's most advanced treasury management systems. However, several persistent challenges cumulatively lead to suboptimal fund utilization, such as manual processing of bills, idle parking of funds, and float in the system.

## Our engagement

MSC implemented a just-in-time funding solution for the Finance Department of the Government of Odisha. Using the concept of virtual treasury single account (VTSA), the solution ensures that the money owed by the state's implementing agencies to the end beneficiary or the payee in a public project is pulled from the state's treasury and paid directly to payee's bank account in real-time or near-real-time.

## Impact

- Improved visibility of funds across all departments
- Prevention of idle funds outside the treasury
- Optimized borrowing costs
- Transfer directly to the beneficiary accounts in real time

## Solutions designed



Just-in-time funding



Digital workflow



Registries

## Principles deployed



Single source of data



API interfaces



Workflow automation

## Clients and partners

Gates Foundation, Finance Department- Government of Odisha

# Support to the Government of Odisha to reduce delays in claim settlement in its flagship urban wage employment scheme, MUKTA, through the deployment of a smart payments system

## Work areas:

Due diligence, Solution scoping, Solution design, Pilot implementation, Monitoring & evaluation



## The challenge

- ▼ The Government of Odisha launched the MUKTA program as a response to COVID-19 to provide employment and weekly wages to the unemployed labor force through self-help groups in small-scale community infrastructure projects.
- ▼ The program faced challenges in implementation, which mainly resulted from delays in settlement of claims and ineffective project management.

## Our engagement

- ▼ MSC supported the design and development of the smart payments solution called “MUKTASoft,” which was piloted among 23 urban local bodies (ULBs) out of 115 in the state.
- ▼ Results from the midline evaluation of the pilot show a complete elimination of idle float in the program and a 57% reduction in payment delays to wage seekers, alongside streamlined administrative processes in payment approvals (from taking 120 days to under 30 days, and eventually to less than seven days).

## Solutions designed



Digital workflow (DIGIT)



Rule-based and payments engine



Just-in-time funding

## Principles deployed



Single source of data



Open API Interfaces



Digital data layers



Workflow automation

## Clients and partners

Gates Foundation, Housing & Urban Development Department, Government of Odisha

## Impact

- ▼ 57% reduction in payments delayed
- ▼ Streamlined payment approvals process (reduced from 120 to under 30 days)
- ▼ Zero idle float

# Digital Public Infrastructure (DPI) for Public Financial Management (PFM) in Nigeria

Digital Domestic Resource Mobilization (DDRM) to transform fiscal management and public service delivery in Nigeria

## Work areas:

Strategic collaborations, Technical assistance, and Research Advocacy



## The challenge

- ▶ The NGF Public Finance Programme launched the Digital Domestic Resource Mobilization (DDRM) workstream to transform fiscal management and public service delivery across Nigeria's 36 states.
- ▶ Through strategic collaborations, research advocacy, and technical assistance, the DDRM aims to equip state governments with the tools and knowledge required to harness digital technologies for improved financial and operational outcomes.
- ▶ This initiative focuses on promoting digital technologies, especially Digital Public Infrastructures (DPIs), to enhance the efficiency of public service delivery and improve fiscal management of Nigerian states' public expenditure and resource mobilization.

## Our engagement

MSC assessed the DPI readiness and PFM landscape in Nigeria to understand the current maturity of states to adopt DPIs for PFM reform and public service delivery. It also created awareness among the government and other important stakeholders to adopt DPIs for PFM reform and efficient public service delivery in their respective states.

## Solutions designed



Digital workflow (DIGIT)



Rule-based and payments engine



Smart payments

## Principles deployed



Single source of data



Open API Interfaces



Digital data layers



Workflow automation

## Outcomes and impact

- ▶ Improved federal and state revenue collection, expenditure management, and enhanced financial transparency through the application of DPI principles
- ▶ Increased efficiency, accessibility, and responsiveness of federal and state public services
- ▶ Focused training for federal and state agencies to adopt and use DPIs effectively
- ▶ Formulating policies to support DPI adoption and nationwide scale-up

## Clients and partners

Nigeria Governors' Forum, Nigeria Government Ministries, Departments, and Agencies (MDAs)

# Design of a payments engine and other digital applications to solve for delays in payments within government infrastructure projects

Implementation of digital PFM solutions

## Work areas:

Due diligence, Solution scoping, Solution design, Pilot implementation



## The challenge

- ▼ The Government of India launched the *Pradhan Mantri Gram Sadak Yojana* (PMGSY). It seeks to provide rural roadways-based connectivity to the country's unconnected areas as part of a poverty reduction strategy.
- ▼ Its implementation has faced many challenges, such as construction delays, cost overruns, and underutilization of funds.

## Our engagement

MSC conducted a detailed diagnostic assessment of the scheme and developed a prototype to showcase smart contracts and just-in-time funding system to create a working model of the solution. MSC also developed the concept of an integrated project registry for PMGSY, which contained multiple components for easing scheme implementation and thereby significantly reducing multi-level approvals to complete payments

## Solutions designed



E-measurement book



Single project registry



Payments engine



Decision support dashboard

## Principles deployed



Single source of data



Microservices



Workflow automation



Open API interfaces



Digital data layers

## Clients and partners

Gates Foundation, Pradhan Mantri Gram Sadak Yojana, Ministry of Rural Development - Government of India

## Impact

- ▼ Improved use of funds
- ▼ Faster vendor payments
- ▼ Effective delivery and implementation of the program
- ▼ Removal of barriers to private sector participation

# Support to the Social Security and Empowerment of Persons with Disabilities (SSEPD) department's initiative to implement a smart payment system to improve payments to schools in Odisha

## Work areas:

Due diligence, Solution scoping, Solution design, Pilot implementation



## The challenge

- ▶ The Government of Odisha's Social Security and Empowerment of Persons with Disabilities (SSEPD) Department recommended 50 special schools that educate children with disabilities to receive grant-in-aid from the Indian government.
- ▶ The initiative faced challenges in terms of delayed payments of salaries to the teachers due to ineffective fund management and inadequate project monitoring.

## Our engagement

MSC prepared a detailed diagnostic report highlighting the challenges identified in the manual processes and suggested recommendations such as using digital workflows, a smart payments engine and a just-in-time funding system to reduce payment friction and administrative burden.

## Solutions designed



Digital workflows



Just-in-time funding



Smart payments

## Principles deployed



Single source of data



Open API Interfaces



Digital data layers



Workflow automation

## Clients and partners

Gates Foundation, SSEPDD- Government of Odisha

## Impact

- ▶ Effective delivery and implementation of the scheme
- ▶ Timely payments to vendors
- ▶ Improved visibility

# A landscape study in Nigeria and Uganda to understand PFM-related challenges

Assessment of existing PFM landscape by utilizing a PFM readiness assessment toolkit developed by MSC

## Work areas:

Research and dissemination,  
Solution scoping



## The challenge

- MSC was keen to explore the challenges in PFM for African nations and explore the potential to replicate lessons from our projects with Indian governments.
- This exploration helped us assess the suitability and relevance of digital PFM tools and knowledge products developed by us, including the PFM Readiness Index, a toolkit designed to assess the maturity of existing PFM systems and infrastructure
- Through this study, MSC explored potential replicability of digital PFM solutions developed and shaped its PFM and state-capacity related strategy for African nations

## Our engagement

MSC identified existing PFM challenges using the existing PFM readiness toolkit and explored use cases for replicability of digital solutions in the region through literature review and consultations with government and external stakeholders. The drafted report included findings, challenges, and recommendations around PFM solutions to build saliency and action for PFM reforms in Africa.

## Principles deployed



Single source of data



Demonopolizing access to public funds and services



Observability



Just-in-time funding

## Clients and partners

Gates Foundation, Federal Government of Nigeria, Coat of arms of Uganda

## Outcomes and impact

- Primary and secondary research on PFM, digital ID, interoperability of data, and information and institutional structures and processes in Nigeria and Uganda
- Preparation of a report on findings and recommendations of solutions from the PFM readiness toolkit
- Potential solution adoption and replication among government stakeholders in Nigeria and Uganda

# Assessment of payment processes in the world's largest health insurance program

Enhancing the efficiency of health payments at the sub-national level

## Work areas:

Universal healthcare, health insurance



## The challenge

The *Pradhan Mantri Jan Arogya Yojana* (PM-JAY) is the world's largest health insurance program, which provides a health cover of USD 6,723 (INR 500,000) per family per year for secondary and tertiary care hospitalization. Government and private hospitals are empaneled under PM-JAY to perform medical procedures and surgeries and treat medical conditions covered under the program's scope. Several systemic and operational bottlenecks had resulted in disenchantment among Empaneled Health Care Providers (EHCPs) and led them to lose confidence in PM-JAY and subsequently opt out of it.

## Our engagement

- ▼ MSC provided **technical assistance to the National Health Authority (NHA)**, the nodal central body responsible for the program's governance.
- ▼ MSC conducted a study in the **states of Bihar, Haryana, and Madhya Pradesh** to assess the challenges that healthcare providers empaneled with the government faced in the delivery of health services.
- ▼ The scope of work included **mapping the process of payments to the hospitals and identification of key bottlenecks that adversely affect payment timelines.**

## Clients and partners

Gates Foundation, National Health Authority

## Outcomes and impact

- ▼ MSC provided recommendations to optimize the claims process, technology platform, and human resource capacity within the overall ambit of enabling policies.
- ▼ Digital transformation and resource optimization were at the core of our recommendations to enhance the claims journey for both EHCPs and national and sub-national governance agencies and digitalize manual processes to improve efficiency.
- ▼ Major cross-cutting recommendations included the establishment of a benchmarking platform tailored for third-party administrators (TPAs) and integrated service administrators (ISAs), a real-time claim adjudication (RTCA) pilot to mitigate payment delays, facilitation of diagnosis adjustment based on subsequent investigations throughout the claim journey, and digitally-enabled incentivization models for the EHCP health workforce.

# Designing models, processes, and road map for AgriStack

Co-created federal and unified digital platform solution to provide comprehensive government and private services to farmers

## Work areas:

Digital agriculture, digital public infrastructure (DPI), Agri Stack



## The challenge

Challenges across the agricultural value chain plague the agriculture sector, which leads to low crop yields, inefficient post-harvest management, and limited access to competitive markets, among others. These, in turn, adversely impact farmers' incomes and resilience, particularly small-scale producers (SP) and their households. SSPs face these problems and other obstacles because of their small farm sizes and poor access to information, which lead to limited access to vital agri-related services, a weak commercial negotiating position, and opaque relations with institutions. Digital platforms, such as Agri Stack, can play an important role to help overcome the above challenges as they enhance transparency through wider access to information.

## Our engagement

Agri Stack will work as a federated and open digital platform to make it easier for governments and commercial companies to provide digital services to farmers. Once created, it will unlock access to crucial services, which include crop advisory, credit, insurance, and post-harvest market connections. As part of its engagement to enable Agri Stack, MSC had to create the following:

- 1. Farmer registry with linked land records:** We developed a process to uniquely identify a farmer and link them to their respective landholdings to ensure accuracy and efficiency in agricultural decision-making and policy development;
- 2. Geo-referenced land records:** Our team defined guidelines to digitize and geo-reference land records to uncover precise geospatial data that facilitated more precise agricultural planning;
- 3. GIS and GPS-based real-time digital crop survey system:** We provided recommendations to develop an application and system to monitor crop growth and health in real time, which provided valuable data for various stakeholders.

We achieved the above tasks through **standardized operating procedures (SOPs) and digital applications** to ensure easier database building, maintenance, and analysis. We established uniform data structures and nomenclatures for interoperability within the Agri Stack platform and addressed data collation and processing challenges with targeted technological expertise.

## Clients and partners

Boston Consulting Group (BCG), Ernst & Young (EY), Gates Foundation, Ministry of Agriculture and Farmers Welfare Government of India

## Outcomes and impact

- ✦ We achieved a clear understanding of the “as-is” process, maturity of data and systems related to the three databases (farmer registry, geo-referenced village map registry, crop sown registry) across states, and the processes adopted to capture data for the three databases.
- ✦ We created mobile applications and manuals for official use to create the three registries across different states.
- ✦ We created data standards and taxonomy for the interoperability of the platform.
- ✦ We created a road map for implementation across all states.
- ✦ We delivered a platform to underpin the digitalization of agriculture in India.

# Digital readiness assessment (DRA) in Zambia

Digitization of government-to-person (G2P) and person-to-government (P2G) payments

## Work areas:

Government policies and programs, digital transformation



## The challenge

Zambia dedicates about 8% of its budget to agriculture. The budget is mainly allocated to maize subsidy programs, such as the Farmer Income Support Program (FISP) and the Maize Price Support program by the Food Reserve Agency (FRA). As of 2017, G2P payments comprised 56% of payments by volume and 86% by value of all government payments. Agricultural subsidies, crop purchases, and social cash transfer (SCT) programs were the least digitized. Development partners expressed concerns related to accountability, service delivery, targeting, corruption, and reconciliation.

## Our engagement

MSC supported the Zambian government to improve its public-private partnership-oriented G2P and P2G system. The MSC team worked together with the key policy, regulatory, and legal bodies to conduct a DRA to collect and analyze data from diverse stakeholders. The assessment was conducted in the following phases:

### Phase 1: Desk research



We conducted comprehensive desk research to understand existing policies, regulations, and guidelines that enable or inhibit the digitization drive. We also gathered information on the ongoing digitization pilot projects and programs that promote public service delivery innovation.

### Phase 2: Expert interviews



We conducted in-depth personal interviews with representatives from the private sector and policy, regulatory, and legal bodies. We also assessed the status and gaps of the core elements of digitization, such as identity, payment ecosystem, social program structure, and digital platforms.

### Phase 3: Multi-stakeholder consultative workshops



We organized a multi-stakeholder workshop to brainstorm thematic areas based on the desk research findings and personal interviews. We also discussed the existing constraints and bottlenecks under these themes and devised possible solutions.

### Phase 4: Reporting and presentation



We developed and presented the digital readiness assessment report to the main stakeholders.

## Outcomes and impact

- ▶ The DRA yielded a set of recommendations to digitize G2P to catalyze financial inclusion in the country.
- ▶ The DRA led to the drafting of high-level operational guidelines to design a digital G2P and P2G mechanism for FISP, FISP weather insurance, social security payments, and school fees.
- ▶ The DRA helped Zambia's government prioritize solutions for digitized G2P payments and create a digital transformation roadmap for the solutions.

## Clients and partners

Gates Foundation

# The Bhamashah program's impact on Rajasthan's digital governance reforms

Assessment of the impact of digital ID on welfare programs' delivery

## Work areas:

Government policies and programs, service delivery, digital transformation



## The challenge

The Bhamashah program, initiated by the Rajasthan government in 2008, established a household-level identity system in the state. It centralized demographic and socioeconomic data through the [Bhamashah Resident Data Hub \(BRDH\)](#). This ensured a “one family—one identity” principle. This dataset replaced other government databases and facilitated direct benefit transfers through *Aadhaar*-enabled biometric authentication. MSC and the Center for Global Development (CGD) partnered to understand the program's efficiency, effectiveness, and beneficiary's perception of digital welfare delivery.

## Our engagement

MSC conducted a [mixed-method dipstick assessment](#) that evaluated household perceptions through quantitative surveys of 600 beneficiaries across seven divisions and qualitative discussions with administrative and institutional personnel. The study focused on three core areas of inquiry:



### Women's empowerment

We examined women's use of bank accounts and access to cash or non-cash benefits. It also explored changes in decision-making power within households after the program's rollout and its impact on second-generation girl children.



### Financial inclusion

We looked into the bank account opening and activity status due to the program. It also assessed beneficiaries' awareness of facilities beyond bank accounts and their ability to access financial and state services through this network.



### Service delivery

We focused on changes in service access after the program's rollout and the accuracy of beneficiary enrollment. It identified errors in the database beneficiaries experienced.

## Clients and partners

Center for Global Development (CGD)

## Outcomes and impact

- The study's recommendations streamlined the beneficiary enrollment and benefit delivery process in Rajasthan.
- The study's findings paved the way for other states to conceptualize and implement state ID programs along similar lines.

# Assessment of digital governance reforms in Krishna district

Evaluation of the impact of the digitization of T-PDS, social pensions, and land records

## Work areas:

Government policies and programs, resilience, digital reforms



## The challenge

Krishna district in Andhra Pradesh state is at the forefront of digital governance in India. Over the past half a decade, it has implemented various technology-based initiatives to improve public service delivery. These range from the digitization of ration cards and supply chain management for the Public Distribution System (PDS), digital land records and soil health cards for fertilizers, and *Aadhaar*'s seeding into the bank accounts of beneficiaries enrolled in direct transfer programs, such as social pensions. MSC has been working with the Center for Global Development (CGD) under a broad-based coalition to understand the efficiency, effectiveness, and perception of the government's digitization of various welfare delivery mechanisms.

## Our engagement

MSC collaborated with the CGD to conduct mixed-methods research and undertook the following key activities:



Developed the research tools, questionnaires, and analytical framework in close coordination with the CGD;



Conducted a quantitative survey across Krishna district. It encompassed 546 households, 45 business correspondents, and 45 fair price shop owners;



Conducted in-depth qualitative interviews with the beneficiaries of the National Social Assistance Program (NSAP) and Targeted Public Distribution System (T-PDS), fair price shop owners, bank correspondents, government stakeholders, and other stakeholders;



Analyzed data and submitted a detailed report on the research findings to CGD.

## Clients and partners

Center for Global Development (CGD)

## Outcomes and impact

- ▶ The report was presented at a conference organized by Identification for Development (ID4D), World Bank, on global research on ID coverage.
- ▶ The report was identified as a thought leader in the identity and government-to-person (G2P) space, as it highlighted the innovative programs in India.
- ▶ The study helped build evidence on the demand-side efficiencies and challenges of digital reforms.

# Single slides for 'market making'



# Support to Government of Bihar to identify and implement practical and high-impact initiatives in WaSH

## Work areas:

Government policies and programs, inclusive sanitation, policy integration



## The challenge

- Access to safe sanitation in Bihar, especially for women, transgenders, and women traffic personnel, has been inadequate in high-footfall urban and peri-urban areas.
- Marginalized communities lacked access to structured training and dignified livelihood opportunities in the sanitation sector.

## Our engagement

- Conceptualized and supported the rollout of “Pink Toilets”, inclusive public toilet models for women and transgenders, including baby care and separate transgender units.
- Designed a separate pink toilet facility having a sitting space for the women traffic personnel in Patna.
- Designed a self-sustaining SHG-led O&M model, anchored in partnerships with ULBs and FARMER.org. Mobilized CSR support from IRFC and facilitated state-level policy integration.
- Anchored the establishment of Bihar Swachhta Sansthan in Patna - a sanitation training college with technical support from the World Toilet Organization (WTO).

## Clients and partners

Gates Foundation, Government of Bihar

## Outcomes and impact

- 20 pink toilets approved across cities like Patna, Gaya, Bhagalpur, and Muzaffarpur; integrated into urban sanitation policy and budget.
- Created livelihood opportunities for SHG women through structured O&M engagement.
- First-of-its-kind sanitation training college in Bihar planned with support from national and international partners.
- Enhanced state commitment to inclusive sanitation, with replicable models and a stronger institutional ecosystem.
- Inclusive WaSH on highways secured in-principle ADB funding and inter-departmental buy-in for future rollout.

# Creation of WSS-focused investment readiness tools, templates and training materials to facilitate capital raising for MFIs/FIs

## Work areas:

Capital raising, training modules, WASH, private capital



## The challenge

Water.org programs such as WaterCredit and WaterCredit Adoption have helped create a localized system for last-mile access to finance for WSS solutions. However, investments from upstream capital financing sources remain challenging due to limited sectoral understanding and the overt presence of the State in WASH service delivery programs. Water.org engaged MSC to facilitate a WSS-focused capital raising forum to improve the bridge between capital providers and financial institutions involved in programs such as WaterCredit through appropriate tools, techniques, and knowledge products.

## Our engagement

- ▼ Consultations with FI/MFI partners and investors to understand the WSS investment scenario, and institutional assessment and appraisal processes
- ▼ Creation of investment-readiness training modules to familiarize FI partners with the capital raising process and conduct self-assessments
- ▼ Creation of standardized capital raising tools and templates that are aligned with capital provider expectations to help FI/MFIs raise capital
- ▼ Develop WSS forum process flow for application, training material for forum, and targeted sessions for both FI/MFIs as well as capital providers

## Clients and partners

Water.org, micro-finance institutions, capital providers, and investors, etc.

## Outcomes and impact



WSS-capital raising forum to create a common platform for investment seekers and providers



Investment readiness content, tools, and template benchmarking to result in successful capital raising by FIs/MFIs



Investment raised by MFIs and FIs to further provide WSS micro-credit to low-income households in India

# Promote the uptake of innovations in the WASH sector through a landscape assessment and policy formation

## Work areas:

Government policies and programs, WASH, market research



## The challenge

The WASH innovation landscape in India suffers from multiple challenges that deter local governments from adopting innovations and discourage innovators from achieving scalable impact. Many of these challenges result from systemic issues, such as an unfavorable policy and regulatory landscape. Other challenges stem from limited handholding, scaling, and funding opportunities for innovators. In collaboration with NIUA, MSC proposed to assess existing gaps in the WASH innovation landscape. Based on the assessment, we intend to create a policy framework to urge local governments to adopt large-scale innovations to solve the challenges of increasing urban populations and demand on weakening infrastructure.

## MSC's approach

- **Identify the demand- and supply-side gaps** that deter the adoption and implementation of innovations with urban local bodies (ULBs) in India
- **Conduct secondary review** of existing, planned, and past initiatives of the central and state governments to promote innovations, convergence of existing programs, and existing policy documents
- **Develop a model framework** to address existing gaps and promote the uptake of innovations in WASH and affiliated sectors at the local body level
- **Draft a guidance note or a policy document** recommending the design framework and solution areas that can be deployed to drive innovation in WASH and affiliated sectors

## Clients and partners

Villgro, Agence Francaise de Developpement (AFD), Ministry of Housing & Urban Affairs

## Outcomes and impact



Identify and develop funding models for innovators in WASH and allied sectors.



Promote the ease of procurement at the ULB level to increase the adoption of innovation



Implement a platform to promote the adoption and scalability of innovations.

# Impact assessment of capital providers and impact investors investing in the WASH sector

## Work areas:

Private sector capital, WASH, research, financial inclusion



## The challenge

Water.org is instrumental in creating an ecosystem for investors and investees that supports and provides capital to MFIs/FIs to provide WASH loans to underserved communities, as well as to WASH MSMEs to create impact at scale. Through the engagement with MSC, Water.org intends to conduct an impact assessment of its partner, as well as non-partner capital providers and impact investors to understand how capital is mobilized for the sector, new investment areas and opportunities for WASH investments and sources of capital expansion.

## Our engagement

- ▶ Designing of qualitative and quantitative research tools to conduct primary consultations with stakeholders in the WASH investment landscape
- ▶ Consultations with apex organizations, upstream investors, MFIs/FIs, industry associations, and government agencies to derive insights on the investment process and impact created
- ▶ Assessment of existing policy and regulatory impact on WASH financing to understand gaps/challenges in making WASH investments
- ▶ Organized a workshop with capital providers, impact investors, government agencies, industry associations, and others to engage and share recommendations for catalyzing investment in WASH

## Clients and partners

Water.org, capital providers, impact investors, microfinance institutions

## Outcomes and impact



New investments in WASH sector through facilitating engagement between capital providers/impact investors and MFIs/MSMEs



Dialogue and advocacy with government bodies, policy makers and regulatory associations to catalyse WASH investment

# Demand and supply assessment for water micro-credit products in rural Tajik households

## Work areas:

Microfinance, WASH, product development



## The challenge

Since the collapse of the Soviet Union in Tajikistan, water supply management, including drinking water supply, has deteriorated due to inadequate maintenance and investment. USAID and its implementing partner, Chemonics, started the Rural Water Supply (RWS) activity to improve health and resilience in rural Tajikistan. The initiative intends to provide better access to safe drinking water through the rehabilitation or construction of small-scale infrastructure projects. MSC was engaged to help Tajik MFIs develop micro-credit products so that rural households could obtain household drinking water solutions.

## Our engagement

- ▶ Conducted a study on the country's financial landscape to identify suitable microfinance partners and assessed the capacity of 7 potential MFIs to design appropriate products
- ▶ Carried out demand assessment in 5 RWS districts, among rural Tajik households to assess their willingness and demand for water micro-credit products
- ▶ Conducted a workshop with RWS project representatives, MFIs, donor organizations, community leaders, WSCs, and NGOs to identify suitable MF products and financing mechanisms for MFIs
- ▶ Designed water credit products based on the supply- and demand-side analysis and developed a product deployment report
- ▶ Conducted capacity assessment of shortlisted MFIs, developed their capacity development plan, and drafted a training report

## Clients and partners

USAID, Chemonics, Bank Eskhata

## Outcomes and impact



MFI products expected to rehabilitate, upgrade, and/or expand **12 rural drinking water supply systems** to serve at least **35,000 people** and **10 schools and health facilities** in **5 RWS districts**



Developed water micro-credit products to facilitate household drinking water systems in five rural districts

# Assess the demand for Water Supply & Sanitation MSME financing opportunities for financial institutions in Vietnam

## Work areas:

Financial institutions, WASH, MSMEs



## The challenge

Access to finance remains a major barrier for water supply and sanitation (WSS) MSMEs in Vietnam, limiting their ability to scale and improve service delivery. Despite growing demand for clean water and sanitation, these businesses face challenges such as unclear bankability criteria, lack of tailored financial products, and limited credit histories. This research, funded by Water.org, aimed to identify financing gaps and explore opportunities to better engage financial institutions in supporting WSS MSMEs.

## Our engagement

To better understand the financing landscape for water supply and sanitation (WSS) MSMEs in Vietnam, our team conducted a qualitative market study funded by Water.org. Through stakeholder interviews and consultations, the study mapped current lending practices, assessed MSME financing needs, and identified actionable strategies to improve access to finance in this underserved sector.

- **Stakeholder Engagement and Landscape Mapping:**

We mapped the financing landscape by engaging 14 financial institutions and 15 WSS MSMEs across urban and rural regions. Through interviews and consultations, we identified key challenges, current lending practices, and the perceived risks from both sides, laying the foundation for actionable insights into improving credit access for this underserved segment.

- **Market Research and Needs Assessment:**

Our team conducted in-depth research to understand MSMEs' financing needs, usage patterns, and business models. We analyzed their willingness to borrow, current financial constraints, and capacity to meet lender requirements. This helped inform the types of financial products and support mechanisms needed to unlock credit for WSS MSMEs.

- **Recommendations and Way Forward:**

Based on our findings, we developed targeted recommendations for financial institutions, donors, and government stakeholders. These include product innovation, blended finance models, and lenders' capacity building. The study also highlights the need for regulatory support and sector-specific guidance to improve bankability and attract private sector investment into WSS.

## Clients and partners

Water.org

## Outcomes and impact

- ▶ The research enabled Water.org to gain a comprehensive understanding of the WSS sector and its financing dynamics in Vietnam.
- ▶ It provided insights into financial institutions' current lending practices, risk perceptions, and openness to engaging with WSS MSMEs.
- ▶ The study also captured key characteristics, needs, and challenges of MSMEs operating in the WSS sector.
- ▶ It led to a six-point action plan recommending building government relationships, organizing a national forum, developing a local team, engaging FIs, assessing product viability, and exploring blended finance.

# Assessment of financing gap in Operation and Maintenance (O&M) of sanitation facilities of schools in Odisha

## Work areas:

Government policies and programs, gap assessment, Go-To-Market (GTM) strategy



## The challenge

The assessment of financing for O&M of sanitation facilities, initiated by Water.Org, highlighted that despite significant achievements like near-universal toilet access in schools, many facilities in Odisha remain non-functional, poorly maintained, or not inclusive. Issues such as broken taps, erratic water supply, and inadequate cleaning undermine hygiene and negatively affect attendance, retention, and learning, especially for girls. This study aims to offer actionable insights into the state of school sanitation in Odisha. It also identifies opportunities for systemic improvement through innovative financing, capacity building, and community-led approaches.

## Our engagement

MSC team conducted a detailed assessment using tools like Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), and surveys to gather valuable insights from these stakeholders. The study aims to evaluate current O&M practices and financing for school sanitation in Sambalpur and Deogarh, and to propose a sustainable go-to-market strategy to keep facilities functional. The broad objectives of the study are:



### Assess current practices:

Analyze existing O&M practices and financing systems for school sanitation facilities.



### Review policies:

Evaluate WASH-related policies and regulations by Gol, UNICEF, USAID, and extract best practices.



### Identify gaps:

Pinpoint gaps in policy, financing, and practice for O&M, and provide targeted recommendations.



### Study business models:

Examine frameworks used by ORMAS, OMFED, OLM, and social enterprises for relevant insights.

## Clients and partners

Water.Org

## Outcomes and impact

- ▶ The study uncovers key gaps in O&M and financing of school sanitation in Odisha, citing limited budgets, absent sanitation staff, and irregular upkeep that compromise hygiene and student health.
- ▶ The study's findings helped to improve monitoring and accountability through 'sanitation warrior' committees.
- ▶ A practical GTM strategy was developed to roll out these solutions at the school, panchayat, and district levels for scale and long-term impact.
- ▶ The study also demonstrates how robust enforcement of standards, innovative financing models, and multi-stakeholder partnerships are crucial to sustaining improvements in sanitation infrastructure

# Direct Benefit Transfer (DBT) payments at India Post Payments Bank (IPPB)

An assessment of existing policies, processes, and systems to streamline DBT delivery

Work areas:  
Digital financial services



## The challenge

IPPB facilitates Direct Benefit Transfer (DBT) of government subsidies to *Aadhaar*-linked accounts, with the provision of doorstep delivery by *Gramin Dak Sewaks* (GDS or postal workers). IPPB wanted to enhance its capacity to execute and streamline government-to-person (G2P) and bulk payment mandates with a goal of nationwide expansion to enhance revenue. MSC provided technical support to IPPB to identify potential states and create sales pitches for DBT payments.

## Our engagement

- **Diagnostic study:** MSC conducted primary research to understand the status of G2P services delivered by IPPB and the grievance resolution mechanism (GRM) in place for DBT account holders at the IPPB.
- **DBT readiness assessment:** MSC completed a DBT readiness assessment and identified 11 potential states and three programs best suited for IPPB with inputs for the pitch to help secure DBT mandates from state ministries.
- **Evaluated an ongoing mandate:** MSC evaluated the implementation of an ongoing mandate by Hindustan Petroleum Corporation Limited (HPCL) to Bharat Petroleum Corporation Limited (BPCL). We recommended more streamlined data sharing, a more holistic communication strategy, and other practices to enhance performance.



## Clients and partners

India Post Payments Bank (IPPB), Gates Foundation

## Outcomes and impact

- IPPB used MSC's recommendations to reengineer its DBT mandates.
- These recommendations helped IPPB refine the overall framework for DBT delivery, which proposed robust communication and updates on data-sharing practices.



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