mSTAR: Mobile Solutions Technical Assistance and Research

LIBERIA

mSTAR is a broad, flexible and responsive technical assistance and action learning program that fosters the rapid adoption and scale-up of mobile money, mobile technologies and mobile data solutions in developing countries. mSTAR increases access and use of mobile technologies by the poor, civil society, local government institutions and private sector stakeholders.

mSTAR/Liberia supports USAID's objective of increasing efficiency of government payments. mSTAR is working with the Government of Liberia to roll out mobile salary payments for teachers and health workers to improve timely and transparent disbursements.

BACKGROUND & GOALS

Mobile technologies are accelerating economic and social development around the globe by reducing the costs of accessing goods, services and information, and building transparency and accountability. With 90% mobile coverage, Liberia is poised to realize many of the benefits of mobile technology.

mSTAR is working to help Liberia realize these benefits. Alongside USAID and the Government of Liberia (GOL) mSTAR is building an efficient mobile money system that promotes economic growth, contributes to financial inclusion, increases transparency and reduces waste of public resources. A mobile money system will allow Liberians to receive payments more safely, decrease time-consuming travel to banks, and ensure money is delivered in a timely manner.

mSTAR is working with stakeholders across the government and private sector to:

► Develop a government e-payment system to enable the GOL to pay civil servants digitally.

► Map government-to-person payments within the GOL's Ministry of Education and Ministry of Health.

► Establish appropriate communication mechanisms for civil servants who experience issues in collecting their salary via mobile money.

Go to http://bit.ly/m-star for mSTAR tools, guides, and other resources

THE SCIENCE OF IMPROVING LIVES

GOVERNMENT-TO-PEOPLE E-PAYMENTS

mSTAR is currently focused on replacing cash payments for civil servants with a digital payment system based on mobile payments. Mobile e-payments will generate significant savings for the GOL and civil servants, increase civil servant productivity, and improve financial management security. mSTAR is drawing on its previous work in Liberia assessing the potential to use e-payments to pay civil servant salaries and tax revenue payment streams for digitalization to develop this system.

In Liberia, many civil servants travel for hours, days and sometimes weeks to pick up their pay checks. When this happens, schools, hospitals and healthcare facilities are either short-staffed or closed and the public is denied desperately-needed services.

mSTAR supported the Ministry of Education (MoE) to propose to the GOL's Cabinet the option of mobile money salary payments for MoE teachers and staff. This proposal was approved unanimously. Accordingly, mSTAR is scaling-up the first e-payments to MoE employees and teachers. mSTAR is also rolling out mobile payments for health workers with the Ministry of Health.

In addition to routine payments, mobile payments can play a critical role in emergency situations. During the Ebola crisis in Liberia, one of the key bottlenecks in the national response was the limited ability to transfer salary payments, hazard funds and incentives to frontline health workers. Mobile payments will better enable the Ministry of Health to mobilize and compensate healthcare workers during a public health crisis as well as make routine salary and incentives-delivery to health workers more efficient, effective and accessible.

MSTAR ACTIVITES TO SCALE-UP CIVIL SERVANT PAYMENTS:

▶ Build buy-in and collaboration around mobile money with all stakeholders to develop a plan that will responsibly scale-up mobile payments for teachers and health workers. Stakeholders include the Ministry of Education, Ministry of Health, Civil Service Agency, Ministry of Finance and Development Planning and USAID.

▶ Map salary and other payment streams with the Ministries of Health and Education to support the strategic planning and rollout of mobile payments.

▶ Evaluate and address supply and demand side challenges of mobile money.

▶ Provide technical, evaluation and logistical support for the scale-up of mobile payments to teachers and health workers. This includes field visits to understand and continue forming linkages in the commercial and government payment distribution chains, building agent network capacity and managing challenges and opportunities.

▶ Identify civil servants' financial needs and priorities and implement corresponding campaigns to enable them to assess the potential benefits of mobile payments and realize the advantages mobile payments offer.

▶ Facilitate investments into the mobile financial services industry to strengthen the current providers, incentivize new market entrants and stimulate robust competition with the goals of expanding services and lowering costs.

▶ Support the development of the ecosystem by harnessing political will, updating the GOL's Mobile Money Strategy, helping service providers enter the market, and working with the GOL and the mobile network operators to ensure network coverage.

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mSTAR/Liberia Partners

- Ministry of Education
- Ministry of Health
- USAID

- Ministry of Finance and Planning Development
- Civil Service Agency

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