



# Innovative Safety Nets: Mobile Delivery & Tracking

## Electronic Voucher Scratch Cards

The Mobile Delivery & Tracking (MDT) system uses electronic vouchers to distribute food to Zambia's vulnerable households. This innovative approach to food distribution is internet based and uses mobile phone technology to allow for real time registration of beneficiaries and electronic payment to local retail agents for providing the food rations.

The MDT system was developed with a local private sector partner to reduce the logistical and operational overheads of traditional food delivery methods, therefore maximising the impact of financial resources on beneficiaries. Targeted individuals receive a Voucher Scratch Card (VSC) at a clinic, which entitles them to a specified food ration that can be collected at nearby retail outlets. On confirmation of the transaction, the retail agent receives instant payment to their online account which they can transfer to their personal bank accounts. By utilizing the resources in existing retail outlets, this system supports small business development and strengthens local economies.

## Background

The MDT system was set up to improve efficiency, reduce costs and improve the tracking and auditable functions of food delivery. When WFP Zambia's newest social safety net programme

called Sustainable Programme for Livelihoods and Solutions for Hunger (SPLASH) was created as a result of the global financial crisis, paper vouchers were implemented as the delivery mechanism. Paper vouchers, however, are expensive, cannot easily be tracked, and are cumbersome and time consuming for the Implementing Partners.

In 2008, WFP Zambia began discussions with various local financial and technology specialists and service providers about the possibility of using an electronic voucher.

Mobile Transactions Zambia Ltd (MTZL) had built an electronic system utilizing scratch cards that could be used to distribute agricultural inputs. WFP Zambia worked with the MTZL system development team to modify and adapt this system to meet WFP programme requirements.

MDT was launched in November 2009, with a six-month pilot project to implement the electronic voucher system in Kafue and Livingstone, targeting 3,000 households on anti-retrovirals as well as TB beneficiaries.

Following the successful pilot, roll-out commenced in April 2010 and expanded to include three new districts and also to involve beneficiaries under the Moderately Malnourished Children (MMC) project. By December 2010, WFP Zambia aims to have achieved over 150,000 electronic voucher redemptions.

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## A sample of the voucher scratch card



Front



Back

## How the MDT system works

There are four stages to the MDT system: Pre-Registration, Registration, Collection and Redemption.

1. **Pre-Registration** - beneficiaries are identified by Implementing Partners based on eligibility criteria, and their National Registration Card (NRC) numbers are uploaded into the system.
2. **Registration** - beneficiaries arrive at clinics and their household demographics are entered into the system via internet access on a mobile phone.
3. **Collection** – beneficiaries are given a Voucher Scratch Card (VSC) and the voucher reference number is linked electronically to their NRC number.
4. **Redemption** - beneficiaries go to a nearby retail outlet and present their NRC card and

voucher. The retailer enters the NRC number and reference pin into the system. The retailer's bank account is instantly credited and the beneficiary is given their ration basket.

## Benefits

- **A more sustainable and efficient delivery mechanism**
- **Improved information capture and audit trails**
- **Reduction of logistical and operational overheads**
- **Engages local retail outlets**
- **Ensures that retail agents are paid quickly and efficiently, averting any potential cash-flow crisis**
- **Easy potential handover to local partners**

