CASE STUDY SERIES 5

Advocated Cases to Facilitate Process Simplification

Case Title: Transferring Pension of Public Officials to a Family Pension in Bangladesh: Making Life Easier for Beneficiaries

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Transferring Pension of Public Officials to a Family Pension in Bangladesh: Making Life Easier for Beneficiaries

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If a public servant passes away after retirement in Bangladesh, his/her family or designated family member continues to receive a pension at the same rate as the deceased retired officer used to get. In that situation, a public service holder's pension must be converted to a family pension following his/her death. The current process of transferring a pension to a family member of the deceased retired officer is considered to be time-consuming and cumbersome – which is a significant burden on part of the family members of the deceased pensioners

Current Process of Family Pension Application

The family pension form and other supporting documents need to be filled out with input from the deceased public employee's last workplace or the ministry concerned. The applicant shall fill up the first part of the valid inheritance certificate/ non-marriage certificate form and physically submit three copies of it along with the death certificate of the deceased pensioner to the last workplace of the deceased employee. The office head will fill out the second section of the form, who will also supply a no-claims certificate and a referral to the regional pension sanctioning body (local accounts office).

Once the applicant has submitted it to the approving authority, they will review all of the supporting documentation, including the certificate, fill out the third section of the form, and then issue an order for the retirement allowance to be approved. They also provide a copy of the form along with the approval order for the issuance of the pension payment order.

The fourth section of the form is then filled out by the central accounting office, also known as the Office of the Controller General of Accounts (CGA), which is based in Dhaka. This office completes the final audit of all other necessary accounts, including the pension book, and sanction order, and issue the pension payment order.

Problem

Beneficiaries of family pensions have to make several physical visits to government offices and face difficulties to prove their identities when transferring a pension to a family pension

Solution

Collect reliable identification information such as NID, and bank account during pension application, store into the system, and use those for verification (one stop service from a single office based on NID verification)

Outcome

Decrease in physical visits to different government offices and stress associated with the process
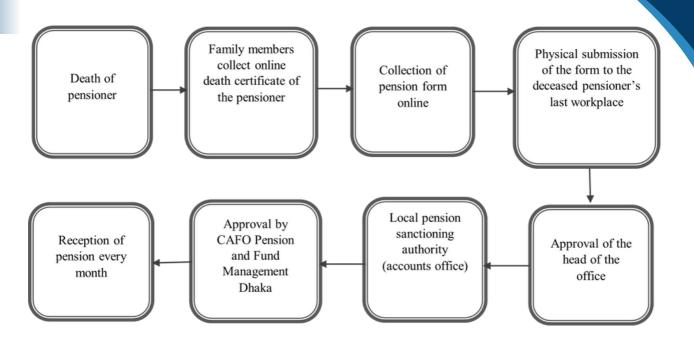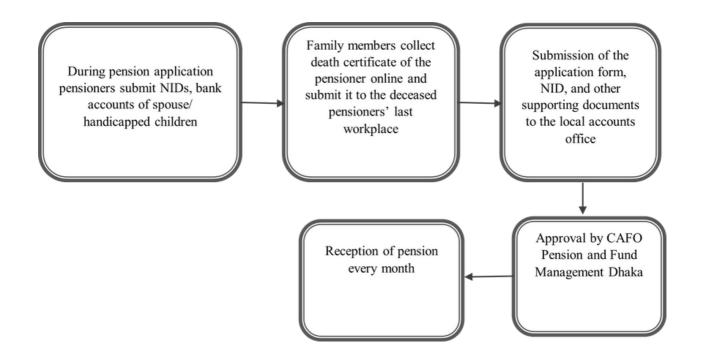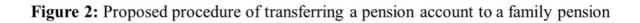
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┌─────────────┐      ┌─────────────────┐      ┌─────────────┐      ┌──────────────────┐
│             │      │ Family members  │      │             │      │Physical submission│
│  Death of   │ ───> │ collect online  │ ───> │ Collection of│ ───> │ of the form to the│
│  pensioner  │      │ death certificate│      │ pension form │      │ deceased pensioner's│
│             │      │ of the pensioner│      │   online    │      │  last workplace  │
└─────────────┘      └─────────────────┘      └─────────────┘      └──────────────────┘
                                                                             │
                                                                             ∨
┌─────────────┐      ┌─────────────────┐      ┌─────────────────┐      ┌──────────────────┐
│ Reception of│      │  Approval by    │      │ Local pension   │      │                  │
│ pension every│ <── │ CAFO Pension    │ <── │  sanctioning    │ <── │  Approval of the │
│    month    │      │  and Fund       │      │   authority     │      │   head of the    │
│             │      │  Management     │      │(accounts office)│      │     office       │
│             │      │    Dhaka        │      │                 │      │                  │
└─────────────┘      └─────────────────┘      └─────────────────┘      └──────────────────┘
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Figure 1: Existing mechanism of transferring a pension to a family pension

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┌──────────────────────┐      ┌──────────────────────┐      ┌──────────────────────┐
│ During pension       │      │ Family members collect│      │ Submission of the    │
│ application pensioners│      │ death certificate of  │      │ application form,     │
│ submit NIDs, bank     │ ───> │ pensioner online and  │ ───> │ NID, and other        │
│ accounts of spouse/   │      │ submit it to the deceased│   │ supporting documents  │
│ handicapped children  │      │ pensioners' last      │      │ to the local accounts │
│                       │      │ workplace             │      │ office                │
└──────────────────────┘      └──────────────────────┘      └──────────────────────┘
                                                                        │
                                                                        ∨
                              ┌──────────────────────┐      ┌──────────────────────┐
                              │ Reception of pension │      │ Approval by CAFO     │
                              │ every month          │ <── │ Pension and Fund      │
                              │                      │      │ Management Dhaka      │
                              └──────────────────────┘      └──────────────────────┘
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Figure 2: Proposed procedure of transferring a pension account to a family pension

Issues Faced by Family Members

Major issues that deceased pensioners' family members face during the procedure are - multiple physical visits to public offices, the issue with proving their identity, and the scope of corruption. It is difficult for applicants to visit several places, especially when those are located far from their present location. Additionally, the government employees are unsure of who the actual beneficiaries of the pensioners who have passed away are. It is normal for government employees involved in this process to be unaware of the names or faces of the relatives of deceased pensioners. There is no solid mechanism in place to verify if claimants are the families of retirees or legitimate beneficiaries using a trustworthy identification mechanism. As a result, beneficiaries face much difficulties to establish their identity. Another problem in his view is the lack of integrity exhibited by officials when processing the applications. There are accusations of corruption and the demand for speed money. So, it can be quite difficult for the family members of deceased pensioners to prove their identification and complete process transfer.

Using Government-Provided Credentials to Verify Identification and Simplification of the System

In light of this, we suggest a mechanism that might make it easier and less stressful to complete this process. In the existing system, the beneficiaries' and family members' information (such as name, NID[1], mobile number) are collected alongside the formal pension application. We suggest that simply NIDs are used for identity verification during family pension applications. Further identification information, such as, bank accounts of beneficiaries can also be collected during the original pension application and stored in the system. We also propose that instead of the applicants visiting the deceased pensioners' previous working places for form submission and identity verification, local accounts offices do these tasks. This would facilitate the reduction of offices/layers involved and transition of the pension to a family pension with fewer in-person visits, less time, and less physical interaction with service providers. In that situation, the family members of the pensioners would simply need to provide the relevant authority(ies) with the pensioner's death certificate, application form, and required information, such as name, NID, bank account and so on. This would also help to reduce the scope of corruption.

In the long run, this procedure can be completed entirely online, obviating the requirement for an actual visit to various government offices. As death certificates are now given online, beneficiaries of family pensions can also upload the pensioners' death certificates as well as other necessary documents into the system to transfer the pension to a family pension.

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[1] NID refers to National Identity Card

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Baniamin, H. M., & Jamil, I. (2021). [Effects of representative bureaucracy on perceived performance and fairness: Experimental evidence from South Asia](#). Public Administration. https://doi.org/10.1111/padm.12758

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