

THE MASTERCARD® PREPAID GOVERNMENT BENEFITS CARD: STREAMLINING PAYMENTS

TO EVERYONE'S BENEFIT



BY 2017, EUROPEAN OPEN-LOOP PREPAID PUBLIC SECTOR
SPENDING IS ESTIMATED TO BE USD 23 BILLION¹

A more efficient payment service

Government agencies, at all levels, are turning to prepaid card programmes to disburse a wide variety of payments, as they do away with laborious and complex traditional paper-based disbursements.

The MasterCard Prepaid Government Benefits Card can bring greater efficiency to your operations, and also help benefit recipients into the financial mainstream.

What is the MasterCard Prepaid Government Benefits Card?

The MasterCard Prepaid Government Benefits Card is an electronic disbursement solution that provides an effective alternative to cash and cheques.

The cards offers government agencies the ability to be better guardians of public funds and to better serve their customers. They do this by streamlining the whole process with improved cost-savings, control mechanisms and higher-quality data to reduce fraud and error.

The Prepaid Government Benefits Card enables agencies to electronically disburse a wide range of government benefits, including:

- Pensions
- National government funded benefits such as child benefit and job seeker's allowance
- Emergency assistance (in the case of a natural disaster)
- Local government funded benefits such as housing benefit
- Gas and electricity payments

In the UK and Ireland, annual open-loop prepaid public sector spending is projected to reach USD 9.3 billion by 2017¹

Italy is expected to see open-loop prepaid public sector spending reach USD 4.7 billion in 2017¹

Meeting needs with innovative solutions

Government bodies and agencies/local authorities needs:

- To eliminate paper disbursements
- To better serve constituents receiving benefits and entitlements
- Need to reduce the cost and time of benefits distribution
- Drive to improve operational efficiency
- Need for increased control and transparency
- Reduce the risk of lost or stolen vouchers/cash and cheques

Government bodies and agencies/local authorities solutions:

- Reduces disbursement costs and improves operational efficiency
- Streamlines the claims process
- Reduces inefficiencies associated with paperwork
- Disbursements from multiple programmes can be loaded onto a single card, reducing costs
- Enhances service to benefit recipients
- Total control over the electronic disbursement process
- Administrators can enroll benefits recipients, maintain and update cardholder information and change card status instantly
- Agencies can specify purchase restrictions to ensure optimal use of funds

The MasterCard Prepaid Government Benefits Card – benefits for everyone

Issuer/Programme Manager benefits:

- Optimises programmes to ensure maximum benefit to governments and cardholders for the long term
- Promotes greater customer satisfaction
- Positions the organisation at the forefront of their market by converting spend from cash to cards
- Can help build or expand a suite of government prepaid programmes that are beneficial to all participants including the unbanked or underbanked
- Attracts new customers
- Expands relationships with current government bodies and agencies
- Creates an opportunity to cross-sell other commercial products and services to government bodies and agencies
- Increases revenue by moving vouchers, cash and cheques payouts to electronic card payments

Recipient benefits:

- No bank account required
- Relief from the stigma of using vouchers or cashing benefits cheques
- No queuing to collect benefits
- Immediate availability of funds
- Can potentially withdraw cash at ATMs, and use card wherever MasterCard is accepted, worldwide and online*
- Can make purchases and pay bills by phone and online
- Check balances online
- Card can be easily replaced if lost or stolen
- No need to carry cash
- PIN protection reduces fraud if stolen

Government bodies and agencies benefits:

- Streamlines processing, distribution and administration of disbursements
- Enforces spending restrictions when applicable
- Potential to provide multiple benefits via one card
- Bulk and individual loading and reloading
- Easy confirmation of loading and reloading
- Easy to track and reconcile disbursements
- Reliable audit trail
- Reduces risk of fraud
- Eliminates lost and stolen vouchers and cheques (and the need to reissue payments)
- Serves recipients better with a fast and more flexible disbursement solution
- Eliminates the costs associated with issuing and reconciling vouchers and cheques

By 2017, open-loop prepaid public sector spending in Russia is projected to reach USD 2.2 billion¹

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The MasterCard Prepaid Government Benefits Card – a huge opportunity

The UK government alone distributed £170 billion in social security benefits in 2010-2011. Now there is a simpler way for payments to reach benefit recipients.

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How it works

A government agency distributes prepaid cards to benefit recipients after their eligibility has been verified. Benefit payments are automatically posted to the card accounts each payment cycle. Cardholders could then use their card to pay bills, withdraw cash at ATMs and make purchases at retail locations wherever MasterCard is accepted worldwide and online*.

MasterCard – the support you need

The MasterCard Prepaid team is committed to helping you through every step of the programme implementation process by:

- Reviewing programme requirements
- Identifying and addressing all necessary launch steps
- Collaborating with you to build the most effective project plan
- Assigning you a dedicated team for all implementation tasks
- Providing turnkey marketing support materials

What MasterCard can provide

We can help you get to market with our network of issuing banks, programme managers and processors. We will work with you to:

- Assign a relationship manager
- Establish clear lines of communication
- Review programme requirements
- Identify and address necessary steps to achieve the desired results
- Develop and roll out a project plan
- Create a working team to ensure all implementation tasks at MasterCard are coordinated and performed
- Help determine performance metrics
- Share best practices
- Provide on-going support

Why MasterCard?

MasterCard serves consumers and businesses in more than 210 countries and territories.

- **As a franchisor**, we develop and market payment solutions and processes
- **As a processor**, we handle approximately 27 billion transactions each year
- **As an advisor**, we provide industry-leading analysis and consulting services to financial institution customers and merchants
- **As a leader in innovation and technology**, we have the facilities and knowledge to help make your programme a success

Working with us puts you at the heart of commerce where financial institutions, businesses, cardholders and merchants worldwide converge.

Get in touch

If you are interested in how the MasterCard Prepaid Government Benefits Card can benefit your company, don't hesitate to get in touch. We are ready, willing and able to be your partner. Let us help you develop an offering that's right for your customers and bring the strength of the MasterCard Prepaid Government Benefits Card to your brand.



For more information, please contact your MasterCard representative or local MasterCard office



MasterCard Worldwide is at the heart of commerce. Our understanding of how and why commerce is conducted allows us to create more advanced methods of payment that fuel economic connections and drive real business value.

¹ 2012 Global Prepaid Card Market Sizing Study, Commissioned by MasterCard

² Source: HM Treasury Public Spending Statistics April 2012

* Dependent on selective authorisation and acceptance/InControl, subject to availability in local markets