

The future of refugee aid:

How host countries are delivering support efficiently and securely

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Contents

Executive summary	4
Introduction	6
Key modality considerations for governments when getting aid to refugees	8
The advantages of card-based disbursements — if they are done well	10
How Visa is working with innovators and governments to get assistance to those in need	12
Case studies	13
Publk and aid digitalisation in Germany	13
Yoursafe and Financial Inclusion in the Netherlands	17
Enfuce and Modern Disbursement Capabilities for Finland9	20
Recommendations for helping refugees and asylum seekers	23
Conclusion	24
Acknowledgements	25
References	26

Executive summary

According to projections for 2024 from the United Nations High Commissioner for Refugees (UNHCR), there are nearly 40 million forcibly displaced people living outside of their home countries — around 32 million refugees and more than 7 million asylum seekers. European countries host significant populations of these forcibly displaced people — about 14 million of them.¹ Hosting these numbers of people and giving them humanitarian assistance can overwhelm the capabilities and resources of local authorities. It is therefore imperative to offer financial assistance in the most efficient and effective ways, with both governments and recipients benefiting from the innovation and partnership taking place in this critical area.

40M

There are nearly 40 million **forcibly displaced people** living outside of their home countries.

In the May 2024 study [Reimagining aid in the digital age: Building global capabilities to serve local needs](#), Devex and Visa found that humanitarian aid professionals believed strongly in choice, with different situations calling for different types of interventions when getting assistance to the [400 million people in need globally](#). Many believed that offering a range of options to suit local needs is often the best strategy, and that understanding the benefits and challenges of each aid modality allowed for a more inclusive and impactful approach. That study then explored the pros and cons of several options across a variety of largely cross-border use cases. This paper focuses specifically on how host governments provide aid to refugees and asylum seekers.

Through an exploration of three real-world case studies, this paper finds that for Europe — and any other location where there is a well-developed digital retail payments ecosystem — delivery of benefits via prepaid and debit cards (whether physical or digital) can offer compelling advantages to both governments and recipients over other methods.

Germany and Public

Germany hosts [nearly 3 million refugees and asylum seekers](#), with the war in Ukraine adding over one million people to the roster of public aid recipients in recent years. With the rising refugee population in Germany, the resources of public authorities are stretched.

1. Visa analysis of United Nations High Commissioner for Refugees data extracted 14 May, 2024, from unhcr.org/refugee-statistics. Data are current as of 24 October, 2023.

[Publk worked with Visa to create the SocialCard](#), which digitalises and streamlines public sector payments, with the needs of local authorities in mind. Where the SocialCard has been implemented in Germany, it has dramatically streamlined processes for authorities and recipients. Per Publk, 28 municipalities or districts in Germany have now adopted or are adopting the SocialCard for refugee payouts – a testament to the positive outcomes explored in the case study.

The Netherlands and Yoursafe

The Netherlands hosts [over 250,000 refugees and asylum seekers](#) – a number that has more than doubled since 2018. Aid recipients in the Netherlands have often lacked the digital know-how and experience, therefore [Yoursafe](#) was founded on the goal of financial inclusivity and its mission is to safely store payments, currencies and other digital assets of its customers. Yoursafe partnered with Visa to help public authorities offer immediate assistance to people through tiered account features that can be adjusted for different groups of aid recipients.

Finland and Enfuce

Finland currently hosts [about 86,000 refugees and asylum seekers](#) – a population that has more than doubled over the last five years. Finnish state agencies wanted to streamline and digitise their existing benefit distribution process. After a competitive procurement process ending in early 2023, Finland chose [Enfuce](#) to provide a prepaid payment card service across a variety of use cases, including refugee benefit disbursements. Enfuce partnered with Visa to deliver several key features that benefit both the government and aid recipients.

Looking across the case studies detailed in this paper, it becomes clear that communities hosting forcibly displaced people must prioritise that public resources are used effectively. Collaboration from all stakeholders – including and especially the refugees – will help facilitate assistance achieve greater impact. By engaging with partners to disburse benefits via Visa prepaid and debit cards, local authorities and programme administrators can:

- **Achieve operational efficiencies**, by using existing digital payments infrastructure and taking advantage of streamlined onboarding processes to allow staff to focus on their core duties in serving the public
- **Effectively deliver support**, by contributing to unbanked constituents' financial security with timely digital payments and a potentially safer way to manage their benefits
- **Improve the user experience**, by enabling convenient in-store and online purchases wherever Visa Debit and Prepaid cards are accepted and helping remove the social stigma associated with government vouchers and similar methods
- **Drive financial enablement and societal integration**, by helping people monitor balances digitally, avoid overdrafts from overspending, and start saving – all while paying in the same manner as the local population
- **Promote social impact**, by configuring cards to align spending with programme goals, such as helping people buy essentials or supporting the local economy – especially the micro and small businesses that have digitalised their services

Importantly, all of these benefits flow also to the recipients of financial assistance. By working with fintech partners and Visa, governments can forge a future where humanitarian aid is timely, responsive and inclusive – empowering all stakeholders to build a more resilient future



Introduction

Humanitarian crises are escalating in scale and complexity globally, with over 400 million people in need of aid – many of them facing compound disasters. Aid budgets are strained, driving demand for cost-effective solutions delivering dignity and resilience. Digital technologies like direct payments offer opportunities to tackle these challenges more efficiently and effectively.

However, careful planning and expertise is required for proper design and implementation of such digital aid solutions. Through a survey of nearly 1,000 aid professionals and in-depth expert interviews, Visa and Devex explored these issues in [Reimagining aid in the digital age: Building global capabilities to serve local needs](#), published in May 2024. The five broadly applicable key findings and related recommendations from that study are:

People-centered approaches should prioritise choice and flexibility

Offer beneficiaries options like digital transfers, cash, vouchers or in-kind aid based on needs assessments. Enable flexibility in how they receive digital payments.

Inclusivity and accessibility should be central to programme design

Design programmes to reach marginalised groups facing access barriers like lack of ID. Use solutions like biometric verification balanced with robust data protection.

Rapidly evolving crises require fast, efficient and scalable responses

Digital payments can enable faster, more flexible aid delivery than physical cash/in-kind especially when combined with anticipatory approaches and payment aggregators. But optimal modality depends on the crisis phase.

Designing programmes for the long term will produce more sustainable outcomes

Invest in payment infrastructure and digital literacy to increase communities' resilience and financial inclusion. Integrate with social protection schemes. Combine short-term crisis response with sustained cash transfers.

Diverse, equitable and well-coordinated partnerships are key to tackling interconnected challenges

Complex challenges require equitably engaged partner networks across sectors sharing expertise. Spaces for coordination are key. View private sector as partners, not just vendors.



The survey findings indicate that while digital innovations have promising potential to transform humanitarian aid, realising that potential will require a thoughtful, nuanced and carefully planned approach drawing on diverse expertise to navigate the increasing scale and complexity of global crises responsibly and effectively within budget constraints. The opportunities are significant, but so are the challenges of getting it right.

This paper is a companion to the Devex study, and it will focus on the issues associated with getting humanitarian assistance to the millions of people who are refugees or asylum seekers living in European host countries. While the study with Devex was a broad view of humanitarian assistance best practices, this paper is a zoom-in for a significant and pressing use case in a particular region.

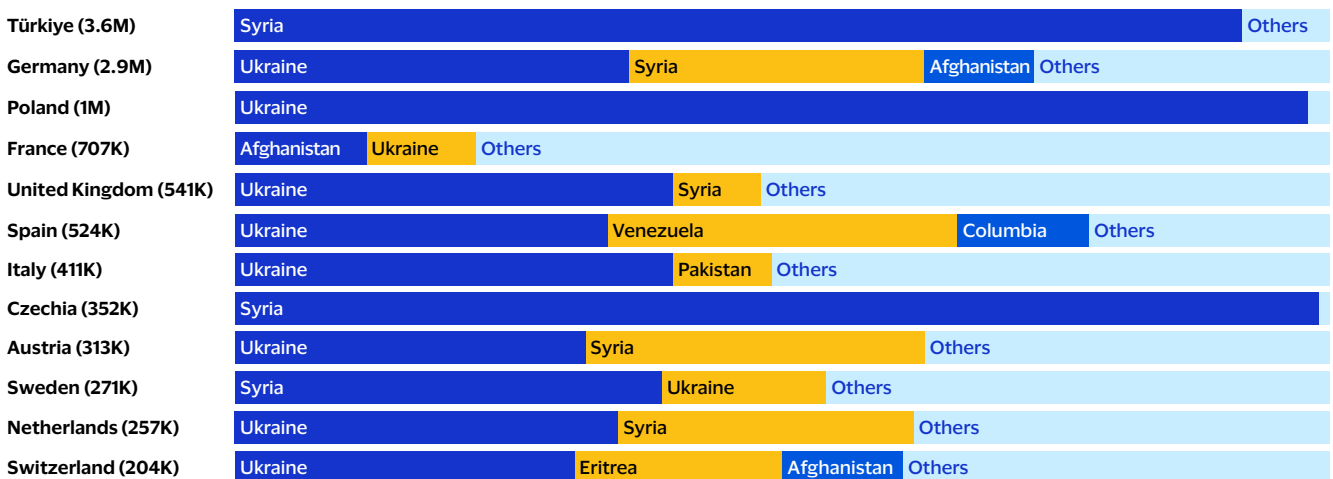
According to data from the United Nations High Commissioner for Refugees (UNHCR), in late 2023 there were almost 31 million global refugees – people who have been compelled to leave their country and who cannot return because of a serious threat to their life or freedom as a result of persecution, armed conflict or similar issues. There are another 6 million people who are asylum seekers – people who have or intend to apply to be recognised as a refugee.

And these numbers of forcibly displaced people are not expected to decrease anytime soon. UNHCR projections for early 2024 indicate that the number of global refugees will have grown to almost 32 million people and asylum seekers will have topped 7 million, for a combined population of almost 40 million. UNHCR information shows that the majority of forcibly displaced people seek protection in countries near their country of origin, and this means that low- and middle-income countries tend to host them. Nevertheless, European countries host significant populations of forcibly displaced people – around 14 million² – given the proximity of European countries to Syria and Ukraine.

The chart below highlights the top 12 European host countries of forcibly displaced people and the top countries from which they originate.

The remainder of this paper will discuss the key considerations for host countries when getting aid to its population of displaced people, the advantages of card disbursements in European countries, and case studies demonstrating how Visa is helping some European partners get critical assistance to people. Based on these experiences, the paper will then offer some recommendations to governments that are considering how best to help their populations of displaced people.

Top 12 European host countries and origin of refugees and asylum seekers²



Note: Chart depicts countries of origin accounting for 10% or more of refugees and asylum seekers in a given host country.
 Source: Visa analysis of United Nations High Commissioner for Refugees data extracted 14 May, 2024, from [unhcr.org/refugee-statistics](https://www.unhcr.org/refugee-statistics).
 2. Visa analysis of United Nations High Commissioner for Refugees data extracted 14 May, 2024, from [unhcr.org/refugee-statistics](https://www.unhcr.org/refugee-statistics).
 Data are current as of 24 October, 2023.



Key modality considerations for governments when getting aid to refugees

In [Reimagining aid in the digital age](#), Devex and Visa found that the majority of surveyed humanitarian aid professionals believed strongly in choice, with different situations calling for different types of interventions.

Many believed that offering a range of options to suit local needs is often the best strategy, and that understanding the pros and cons of each aid modality allowed for a more inclusive and impactful approach. As crisis situations tend to be volatile in nature, aid delivery must be designed in a way that could benefit the recipients regardless of the challenges they face.

That study, which was focused on humanitarian assistance globally across a variety of use cases, examined the benefits and challenges of different modalities of aid delivery, often across borders. Below is a summary of that analysis.



Humanitarian aid	Pros	Cons
<p>In-kind The distribution of tangible goods, such as food, water, blankets or hygiene kits.</p>	<p>Meets people's basic needs at the onset of emergencies, or in contexts where digital or financial infrastructure is weak.</p>	<p>Logistical challenges and costs. Limits choice and increases potential waste, with communities offered food or other items that are unsuitable or culturally inappropriate.</p>
<p>Paper vouchers Vouchers that can be exchanged at designated stores or marketplaces for a specific quantity or value of goods or services.</p>	<p>Ensures more vulnerable people, such as the elderly, disabled, or those lacking digital skills or IDs, are not left behind.</p>	<p>Security risk if vouchers are lost or stolen. Limits choice to vendors who accept them.</p>
<p>Cash over the counter or via an agent Distribution of physical cash to beneficiaries, who collect the cash from local agents or from a participating store or financial institution.</p>	<p>Offers flexibility, portability and choice for recipients. Widely accepted and understood.</p>	<p>Building agent networks takes time and resources when required. Security risks to beneficiaries and agents.</p>





Humanitarian Aid	Pros	Cons
<p>Cash-in-hand distributions Distribution of physical cash directly to recipients.</p>	<p>Offers flexibility, portability and choice for recipients. Widely accepted and understood.</p>	<p>Building agent networks takes time and resources when required. Security risks to beneficiaries and agents.</p>
<p>Bank transfers Electronic transfers of money directly to recipients' bank accounts.</p>	<p>Fast, secure, invisible and traceable. Offers flexibility to cash out, spend within the digital ecosystem or save in a safe place.</p>	<p>Limited bank/ATM networks in remote regions. Transaction costs. Security risk to beneficiaries if cash is withdrawn or PIN code is shared or stolen.</p>
<p>Digital transfers to wallets or financial accounts Electronic transfers of money directly to recipients' money accounts or other digital wallets.</p>	<p>Fast, secure, invisible and traceable. Offers flexibility to cash out, spend within the digital ecosystem or save in a safe place.</p>	<p>Can be limited by network capacity in mass payments. Requires digital and financial skills. Requires mobile money account and ID.</p>
<p>E-vouchers Electronic vouchers that are received and stored on a digital device and can be exchanged at designated stores or marketplaces for specific goods or services.</p>	<p>Portable, traceable and more secure. Encourages spending in local markets and advances dignity of aid recipients.</p>	<p>Limits choice to vendors who accept them. Recipients require access to a digital device to use.</p>
<p>Prepaid/debit cards Physical cards that can be used to purchase goods or services at eligible stores or marketplaces, or online.</p>	<p>Offers flexibility, portability and choice for recipients. Rapid rollout once framework established and traceable. Secured by PIN code. Encourages spending in local markets and advances dignity of aid recipients.</p>	<p>Costs and time to execute. Limited coverage in some countries. Security risk to beneficiaries if PIN code is shared or stolen. Reliance on functioning markets able to accept cards widely.</p>
<p>Instant virtual cards As with physical cards, a card number is distributed digitally to recipients, who can then use it with a mobile device or computer to pay for goods or services.</p>	<p>Real-time account creation and ready-to-use. Encourages spending in local markets and advances dignity of aid recipients.</p>	<p>Limited awareness of this modality. Requires digital skills and devices. Reliance on functioning markets.</p>

In the context of domestic (in-country) aid delivery in Europe (and other countries in which there is a well-developed digital payments ecosystem), prepaid/debit cards (physical or digital) offer compelling advantages over many other modalities, and the potential drawbacks identified by the Devex study are either inapplicable or can be overcome by working with a qualified partner.



The advantages of card-based disbursements – if they are done well

Government entities, NGOs and local communities face a variety of barriers and challenges when trying to efficiently and effectively pay beneficiaries.

One challenge is resources – the governmental entity may have to recruit or upskill staff to onboard beneficiaries, disburse cash regularly to them and provide them with customer support. Another challenge is in data handling, for instance meeting compliance requirements like the Payment Card Industry Data Security Standard, among others. Documentation can also be a challenge – accessing, storing and securing digital documentation requires expertise, particularly in this era of cyberthreats. And the costs can be high, especially for the time-consuming process of disbursing cash to long queues of people.

Refugees and asylum seekers also face challenges in receiving assistance. They often do not have a recognised ID that financial institutions could use

to provide a bank account. This lack of ID may also make it difficult to secure housing or employment. The recipients of assistance may also be financially vulnerable if they receive cash, which can be a safety and security hazard. Recipients may lack financial resilience and be unable to save money and deal with financial shocks. Related to this, they may not have the ability to receive ad hoc payments in emergencies.

While all displaced people have a unique experience in their host country, it is necessary to understand the common challenges among people receiving aid in order to design efficient, effective programmes that better meet the needs of end users and the communities in which they live.

Understanding the frictions for refugees and asylum seekers

Consider the following journey of Zara, a mother and asylum seeker. →

1

She has no identification and struggles to communicate in her new country, as she does not speak the primary language.

2

She waits a week for a temporary ID card to get benefits; she has no money and is sent to a crowded shelter with her children.

5

Zara is given cash and has had it stolen; she could not get help due to the language barrier.

4

On those days, she cannot bake bread that she sells locally and must bring her two small children with her.

3

Each week, she spends money to take a bus and queue up for hours to receive her benefits.

6

She wants to get a card to pay, but she cannot open a bank account without permanent identification.



Zara is not the only party encountering frictions. At the local level, there is a civil servant spending a lot of time handing out cash, hearing complaints, struggling to reconcile records with cash drawers, and then losing visibility into how the benefits are used. These frictions can be addressed through card-based disbursements.

In European countries, which have well-developed card-based retail payment systems, aid disbursements to refugees and asylum seekers via prepaid and/or debit cards can make a lot of sense, especially if done with Visa and the right partners. Key benefits include the following:

- 1** ● **Visa has global payments reach to 8.5 billion endpoints,³** which can help empower local councils/municipalities to focus on the needs of beneficiaries. Payment card programmes for humanitarian assistance use existing infrastructure and technology, so banks can rely on established standard processes.
- 2** ● **Card programmes can be implemented quickly** and allow rapid funds disbursements to support a faster humanitarian response.
- 3** ● **Card programmes offer cost savings and climate advantages** compared to cash, since printing, transport and distribution of paper is not involved. And funding on an existing payment credential is very efficient after implementation.
- 4** ● **Card programmes offer visibility and configurability to government entities.** Visibility is useful for programme audits and reconciliation. Payment cards offer dynamically configurable capabilities such as cash withdrawal restrictions, e-commerce controls, and merchant or regional controls. Governments should carefully weigh whether controls are needed, which may have unintended negative consequences for recipient families, but the configurability is there if desired.
- 5** ● **Cards are secure,** which allows government entities to rely on Visa's robust risk and compliance framework while focusing their attention more on helping people. Visa has been securing payments for 60 years, and [in 2023 Visa AI fraud solutions helped banks to detect and stop more than \\$40 billion in card payment fraud.](#)
- 6** ● **Cards are widely accepted and offer ease of use to beneficiaries.** The distribution of aid electronically also supports small businesses that have been digitalising rapidly, and the assistance funds stay in the formal economy.
- 7** ● **Cards are inclusive,** allowing vulnerable and marginalised people to make payments like everyone else, in contrast to some aid modalities. This opens the digital economy to refugees and asylum seekers and avoids stigmatising them in their daily lives.

3. Twelve months 1 October – 30 September, 2023. Visa Inc., Quarterly Results, Q4 2023 Transcript. Source: usa.visa.com/products/visa-direct.html.



How Visa is working with innovators and governments to get assistance to those in need

To help realise the benefits of card-based disbursement of financial benefits, the right partnerships are critical. The following case studies from Germany, the Netherlands and Finland offer some compelling examples of positive stakeholder outcomes and lessons learned.



CASE STUDY 1

Publk and Aid
Digitalisation in
Germany

CASE STUDY 2

Yoursafe and Financial
Inclusion in the
Netherlands

CASE STUDY 3

Enface and Modern
Disbursement Capabilities
for Finland





CASE STUDY 1

Publk and aid digitalisation in Germany⁴

Context

Germany hosts **nearly 3 million refugees and asylum seekers**,⁵ with the war in Ukraine adding over 1 million people to the roster of public aid recipients in recent years. The top five countries from which refugees originate are Ukraine, Syrian Arab Republic, Afghanistan, Iraq and Eritrea; collectively, these countries account for over 80 percent of the total. Germany has a well-developed retail payments environment for consumers, with over 1.25 million merchants⁶ accepting Visa cards, for example. Until recently, the disbursement of aid to refugees was largely not able to take advantage of this existing infrastructure – nor were refugees able to use it, since they often do not have access to German bank accounts for months after arrival.

Challenges

With the rising refugee population in Germany, the resources of public authorities are stretched. Traditionally, refugees without bank accounts in Germany have been paid support benefits via cash, checks and vouchers. These programmes are generally high-effort and therefore high-cost to set up and administer. Additionally, these types of aid disbursements carry various disadvantages for recipients, including prolonged enrolment periods, physical security risks, risk of loss, waiting in lines for disbursement, and possible social stigma in spending.

3M

Germany hosts nearly 3 million refugees and asylum seekers.

4. Source: Visa interviews with Publk and materials available at socialcard.de.

5. All figures are from Visa analysis of United Nations High Commissioner for Refugees data extracted 14 May, 2024, from unhcr.org/refugee-statistics. Data are current as of 24 October, 2023.

6. Source: [Strong Growth for Visa in Germany](#), 14 February, 2024.

Actions

Publk created the SocialCard to digitalise and streamline public sector payments – with the needs of local authorities in mind.

The SocialCard was first piloted in Germany with the state capital of Lower Saxony, Hanover. Since October 2023, it has been used there successfully to disburse social benefits to refugees without a German bank account. The SocialCard is a Visa Debit card. It does not differ from other Visa Debit cards issued by credit institutions either in terms of functionality or design. The SocialCard is available as a plastic card or as a digital card for use in a smartphone.

The SocialCard provides a solution that integrates easily into the established systems of German municipalities. The solution is maximally flexible, scalable nationwide, and can easily be adapted to individual requirements in terms of functionality at the local level.

The SocialCard allows benefit recipients to sign up for and receive their social benefits quickly and easily. It offers them a dignified participation in everyday digital life. At the same time, it reduces the administrative burden in municipalities. Publk offers extensive web support for users in several languages tailored to include those most commonly spoken by refugees. Education topics include checking balances, reviewing transactions, requesting a PIN and blocking the card in the event it has been lost. The curriculum also covers a variety of other subjects including adding funds to digital wallets. As such, the use of SocialCard not only serves as a gateway to the digital world but also promotes financial literacy.



With Visa as a strong technology partner at our side, we can significantly relieve the public administration. Everywhere where cash has been used so far, the SocialCard can simplify the payout – for the municipality and the benefit recipients alike. Thus, the SocialCard is a milestone on the way to the digitisation of payout processes in authorities.

Joerg Schwitalla
 Founder and Managing Director
 Publk GmbH



Outcomes

Where the SocialCard has been implemented, it has dramatically streamlined processes for authorities and recipients. The benefits include:

Fast onboarding in four (or fewer) steps

- Attachment of the service recipient (after efficient sanctions and risk checks) by the authority/administration in the SocialCard cockpit and immediate receipt of the IBAN for the corresponding card

Overall, municipalities that are using the SocialCard have seen their registration time go from 15 minutes monthly per refugee to a one-time two minutes

- App download and subsequent registration by the service recipient (optional)
- Issuance of the physical card by the authority/administration or download of the digital card into the smartphone wallet by the service recipient
- Single Euro Payments Area (SEPA) transfer of social benefits to the IBAN belonging to the SocialCard by the authority/administration – municipalities simply copy the IBAN into their standard application for management of refugee aid

Efficient ongoing processes

- Elimination of check issuance or cash payment for service recipients without a German bank account
- Use of local municipalities' existing SEPA transfer processes for the payment of social benefits into the SocialCard
- Support for one-time, recurring or immediate payouts
- Browser-based programme administration platform and user management; no additional software or hardware required
- Enormous reduction in administrative and personnel expenses in the payment of social benefits; existing public authority staff able to spend time on other duties

Flexible configurations to achieve local and/or regional policy goals

- Exclusion (as desired) from certain industries, such as gambling
- Amount limits in cash withdrawals during a benefits period to facilitate funds being used to purchase essential living goods (based on municipality requirements)
- Regional restrictions on card acceptance, for example, in Germany or in certain postcode areas
- Restriction of card use for online purchases

Considerable advantages for aid recipients

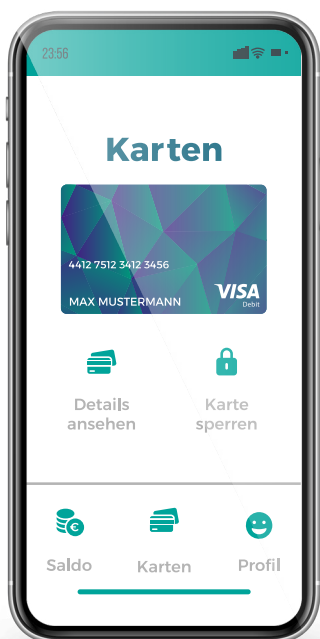
- Punctual receipt of social benefits on the SocialCard
- No German bank account necessary
- No regular personal appearance for the payment of social benefits in the office is needed
- Ability to pay digitally via card or mobile phone in the local shop (with more than 1 million merchants in Germany) and online on the internet (as configured by the public authority)
- Ability to withdraw cash at ATMs and participating retailers
- Ability to pay for goods and services like everyone else, without the stigma of vouchers and some other methods



Waiting in line is history. We were able to save six positions just in Hanover through this step – administrative employees can now be deployed for more meaningful work.

Belit Onay
Mayor, City of Hanover





Lessons Learned

In Germany, 25 municipalities or districts have now adopted or are adopting the SocialCard for refugee payouts (a testament to the positive outcomes) and key lessons learned have surfaced.

Plan spending restrictions carefully

On the public authority side, Publk has noticed a variety of configuration preferences by the local authorities, including some that want the cards to be “spent” in very defined geographic areas. While this is a supported configuration, it would be optimal for the authorities across Germany to agree to some best practices. Applying too many restrictions could be seen as a limitation on the utility of the more efficient cards and incentivise “cash out” behaviour.

Educate funds recipients

For recipients, one behaviour has been observed that could be addressed by an “educational” campaign by the local authorities. Refugees, so far, have overwhelmingly opted to receive a physical card from the local authority when they sign up. Physical card recipients can then add their credentials to Google and Apple wallets – and many have asked Publk for those instructions. (Recipients who only requested a digital card do not have this dual option – something worth considering as public authorities design their solutions.) Publk believes that physical card recipients may be reluctant to share their mobile phone information with local authorities, so they are preferring to load the cards to wallets themselves. Future educational campaigns should assure aid recipients that ownership of a smartphone will not negatively impact the assistance they receive. This may result in more open communications around loading cards onto digital wallets or even opting for the digital credentials at the outset.

Gain insights from spending trends

As the number of SocialCards in Germany increases, Publk plans to analyse aggregate spending preferences and trends (while preserving privacy) and share the trends, so that public authorities can manage their programmes even more effectively and efficiently.



CASE STUDY 2

Yoursafe and Financial Inclusion in the Netherlands⁷

Context

As of late 2023, the Netherlands hosts over 250,000 refugees and asylum seekers – a number that has more than doubled since 2018.⁸ Almost 80 percent of the individuals who have been forcibly displaced and are residing in the Netherlands originate from Ukraine, Syria, Eritrea, Türkiye, and Afghanistan.

80%

Challenges⁷

Aid recipients in the Netherlands have often lacked digital capabilities most of us take for granted. While many aid recipients have had access to cards, they had no visibility into their balance, and there were also frequent “ATM rushes” on disbursement days as people withdrew their balances and became cash users afterwards. There were high customer support call volumes on disbursement days, and the process for handling lost or stolen cards was arduous.

Nearly 80 percent of the individuals who have been forcibly displaced and are residing in the Netherlands originate from Ukraine, Syria, Eritrea, Türkiye and Afghanistan.

7. Source: Visa interviews with Yoursafe and materials available at yoursafe.com/en/index.html.

8. All figures are from Visa analysis of United Nations High Commissioner for Refugees data extracted 14 May, 2024, from unhcr.org/refugee-statistics. Data are current as of 24 October, 2023.



Actions⁷

Yoursafe was founded on financial inclusivity and its mission is to safely store payments, currencies and other digital assets of its customers. This mission is carried out regardless of the profession, race, ethnic or social origin, gender, religion, or sexual identity of the customers. Yoursafe is a financial institution founded in 1997 and based in the Netherlands, supervised by De Nederlandsche Bank N.V., and licensed as an e-money institution. Via the European passporting system, Yoursafe offers its services to both companies and individuals in all countries of the European Economic Area (EEA).

The Yoursafe payment product was developed to help European authorities distribute funds safely and efficiently to refugees and/or asylum seekers. By issuing individual basic accounts (with individual IBAN) and associated debit cards, the Yoursafe payment product aims to enable individual refugees or asylum seekers to pay for basic goods and services quickly, easily and securely — while at the same time providing an accessible introduction to and participation in the modern European payments ecosystem.

Within the Yoursafe product, the refugee or asylum seeker receives an IBAN basic account with a Visa Debit card (both issued by Yoursafe) directly and quickly after registration by the responsible asylum authority. The competent asylum authority can then automatically and quickly transfer funds to the corresponding individual basic accounts, which are available to the individual customer immediately after the transfer. The customer can use the funds made available to them by paying with the Visa Debit card in shops or online, withdrawing cash from ATMs or making a SEPA transfer.

The customer manages their individual Yoursafe basic account themselves. The Yoursafe app is used for onboarding (including Know Your Customer (KYC)), to display the balance and transaction overview, and to authorise transactions. The Yoursafe payment product offers graduated restriction levels for individual basic accounts. The ultimate goal is to give the refugee or asylum seeker access to an unrestricted basic account as quickly as possible and thus contribute to the successful integration of refugees and asylum seekers who have been granted permanent residence status.

Within the payment product, Yoursafe offers additional services for the relevant authorities, such as helpdesk, customer service and reporting services. Yoursafe, working with the Central Agency for the Reception of Asylum Seekers (COA), has successfully implemented the payment product in the Netherlands.



Outcomes

Yoursafe helps public authorities offer prompt assistance with tiered account levels for different groups of aid recipients.

Yoursafe offers three different types of Yoursafe accounts: Yoursafe Card Only, Yoursafe Limited, and Yoursafe Basic. The different types of basic accounts have different restriction levels. As a result, Yoursafe provides for the direct availability of an account for different groups of aid recipients. The type of account that is assigned to a user depends on the availability of a valid proof of identity and whether the customer has a smartphone. A refugee or asylum seeker in possession of a valid proof of identity and a mobile phone qualifies for a Yoursafe Basic account. Customers who do not have a mobile phone qualify for a Card Only account. Customers who have a mobile phone but do not yet have a valid proof of identity qualify for a Yoursafe Limited account. Each tier has its own functionality and restrictions. If a customer comes into possession of valid proof of identity and/or a mobile phone over time, they can upgrade their account quickly and easily.

Yoursafe offers a streamlined onboarding process and customer journey. The steps for a recipient with a smartphone include:

- 1 ● The relevant agency verifies identity of the aid recipient.
- 2 ● The aid recipient downloads the Yoursafe app, which is available in a variety of European languages, along with Arabic, Armenian, Persian, Somali, Turkish and others.
- 3 ● The agency then transmits recipient's personal data to Yoursafe. Yoursafe then examines the completeness and checks for possible duplicate accounts. A QR code appears on the recipient's screen.
- 4 ● Upon successful QR code scan, the Yoursafe app is now linked to an account.

5 ● The aid recipient scans their face in the app, which ensures they are the person requesting aid from the public authority.

6 ● As soon as this "FaceMatch" has been carried out and confirmed by Yoursafe, the basic account is activated. Concurrently, the public authority makes a SEPA payment from their account at their bank to the aid recipient's Yoursafe account.

7 ● Later, as the user receives their immigration document from the immigration authorities, they can upgrade the Yoursafe Limited current account to a Yoursafe Basic current account.

Yoursafe facilitates spending controls and restrictions (via an administration portal within the card management system) that public authorities may desire from a policy perspective. Agencies may restrict spending for gambling, alcohol and tobacco, and they can control spend within geographical areas. Transfers from the basic account to high-risk countries and high-risk geographical areas can also be restricted.

The notable outcome for aid recipients is that they are digitally included and have access to most, if not all, of the modern financial tools available to other Europeans, thereby facilitating integration and removing stigma, in keeping with Yoursafe's mission.

Lessons Learned

While the implementation with COA in the Netherlands has been a success, some educational opportunities have been identified.

While using cards in Europe is very convenient, it can still be a new process for some refugees and asylum seekers. It has also been observed that multiple people within a household have shared some cards, with some conflicts arising from this.





CASE STUDY 3

Enfuce and Modern Disbursement Capabilities for Finland⁹

Context

Finland currently hosts around [86,000 refugees and asylum seekers](#) – a number that has more than doubled over the last five years.¹⁰ In fact, most of this increase occurred from 2021 to 2022. Most forcibly displaced people being hosted in Finland come from Ukraine, Iraq, Afghanistan, Syrian and Somalia.

86k

Challenges⁹

Finnish state agencies wanted to streamline and digitise their existing benefit distribution process. With a strong emphasis on compliance, they sought to offer a prepaid card solution fitting a wide variety of use cases (not just for refugees and asylum seekers). The government needed a solution that could initially span four different government bodies and be scalable to even more.

Finland currently hosts around 86,000 refugees and asylum seekers.

9. Source: Visa interviews with Enfuce and materials available at enfuce.com/payment-solutions/nonprofits-and-governments/.

10. All figures are from Visa analysis of United Nations High Commissioner for Refugees data extracted 14 May, 2024 from unhcr.org/refugee-statistics. Data are current as of 24 October, 2023.

Actions

After a competitive procurement process ending in early 2023, Finland chose Enfuce to provide a prepaid payment card service. Enfuce delivers a prepaid disbursement card service that allows the State Treasury and Kela (the Social Insurance Institution of Finland) to provide a secure, reliable and easy-to-use prepaid payment solution in situations where account payments are not an option. Initial customers include immigration (for benefit payments to new immigrants), prison and probation services (which do not accept cash payments from prisoners), the court system (for witness allowances), and social insurance (for beneficiaries who do not have bank accounts).

Commenting on the partnership with Enfuce, Lasse Skog, Director of Development at State Treasury of Finland, said: "For governmental organisations and Kela, the core of the partnership is to get a payment method that meets our requirements, is cost-efficient, and is easy to use for our prepaid card users. In addition to that, we expect Enfuce to be able to deliver the service, further develop the features according to our needs, and support us in our work to develop

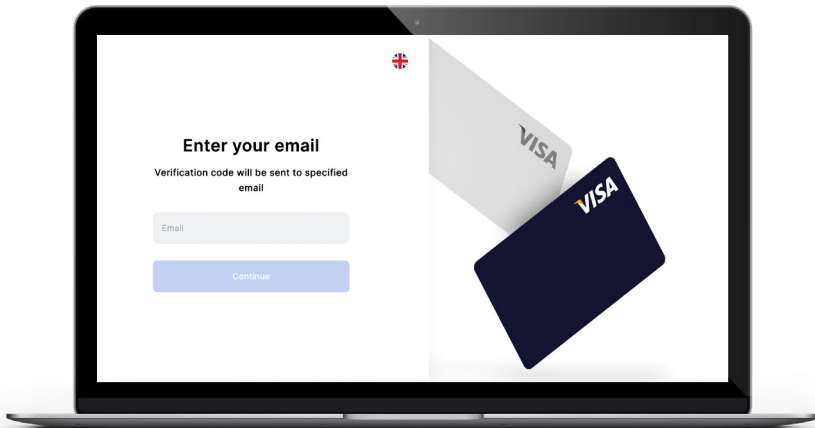
efficient processes. We also hope to gain an open and goal-oriented cooperation with Enfuce building on a tight partnership."

For the immigration use case, there was a need for immigrants to get their reception allowance when arriving to Finland to support them in their new situation. These people come from different circumstances and for different reasons – some might not even have phones or identification documents with them. They cannot open regular bank accounts because they do not have Finnish social security identifiers. The issued prepaid card is an intermediate solution for the immigrants to be able to receive salaries, get their household fees paid, etc. It is considered to be a light banking solution for people without access to traditional banks.










For governmental organisations and Kela, the core of the partnership is to get a payment method that meets our requirements, is cost-efficient, and is easy to use for our prepaid card users.

Lasse Skog
Director of Development
State Treasury of Finland



Outcomes

Enfuce delivered several key features that benefit both the government and aid recipients. These include:

-  Recipients can access a cardholder portal to manage their funds, check their balance, pay invoices, freeze their card or report it lost/stolen.
-  The cards are linked to virtual IBAN accounts to enable SEPA transfers in and out, enabling easy transfers of money to and from the cards.
-  Spend control limitations include e-commerce blocking, ATM limitations, and other safety measures to ensure that the funds are used for specified purposes.
-  The card can be instantly issued, so the beneficiary can avoid long waiting periods for their allowance.
-  Public authorities can also set different user levels for their employees to ensure the information they see is relevant to their roles – helping to keep sensitive data safe.
-  Enfuce offers a fully managed fraud-fighting service, so agencies do not need any fraud or dispute specialists, training or processes in place in-house.
-  The card helps to financially include people and to provide dignity and anonymity. The card does not include cardholder name or other identifiers – they are sent without balance and are topped up when activated by the user.

Lessons Learned

Since there were multiple government agencies serving as customers, Enfuce onboarded and trained them all to ensure a smooth and compliant go-live experience.

There was a focus on understanding the Payment Card Industry Data Security Standard requirements and the KYC-related processes.



Recommendations for helping refugees and asylum seekers

As can be seen from the case studies, there are considerable advantages to card-based approaches for aid disbursements in Europe – and any other country where there is well-developed consumer adoption and merchant acceptance.

Fintechs are working with Visa and local authorities to develop innovative solutions that leverage trust and ubiquity to include forcibly displaced people in digital life. Given this context, the general recommendations offered in [Reimagining aid in the digital age: Building global capabilities to serve local needs](#) can be updated as follows to help refugees and asylum-seekers get the help they need:

- 1** **People-centered approaches should prioritise choice and flexibility**

Offer beneficiaries card-based aid options, which include physical and virtual modalities and enable choice and flexibility in online and in-person payments. Cards offer the ability to restrict spending along several dimensions, though local authorities should carefully consider how they implement controls.
- 2** **Inclusivity and accessibility should be central to programme design**

Design card programmes to reach marginalised groups facing access barriers like lack of ID and to give them dignity in their spending. This also helps socially integrate refugees into society (in a cost-efficient way), as the recipients will be able to participate meaningfully in digital life in their new home location – just as their neighbours do. Care should be taken to understand the current experience of refugees (what subjects they ask for assistance on, what types of emergency requests they make, etc.), and services should then be designed to address these end-user needs. Strong partnership between the issuer, local authority and Visa are critical to success.
- 3** **Rapidly evolving crises require fast, efficient and scalable responses**

Card-based aid payments can enable faster, more flexible, and more efficient aid delivery than physical cash/in-kind options. These benefits apply to both governments and recipients.
- 4** **Designing programmes for the long term will produce more sustainable outcomes**

Use existing payments infrastructure where possible and invest in digital literacy and skill building to increase recipients' and communities' resilience and financial inclusion. Integrate with social protection schemes.
- 5** **Diverse, equitable and well-coordinated partnerships are key to tackling interconnected challenges**

Complex challenges require engaged partner networks across sectors sharing expertise. View private sector innovators like fintechs and Visa as key design and execution partners, not just vendors.

Conclusion

As humanitarian crises bring increasingly daunting challenges, it is imperative that communities hosting forcibly displaced people ensure that resources are used effectively. Collaboration from all stakeholders – including and especially the refugees – will help ensure that assistance will achieve greater impact. By disbursing benefits via Visa prepaid and debit cards, local authorities and programme administrators can:

1

Achieve operational efficiencies

Use existing digital payments infrastructure and benefit from streamlined onboarding processes to allow staff to focus on their core duties in serving the public.

2

Effectively deliver support

Contribute to unbanked constituents' financial security with timely digital payments and a safer way to manage their benefits.

3

Improve the user experience

Enable convenient in-store and online purchases wherever Visa Debit and Prepaid cards are accepted and helping remove the social stigma associated with government vouchers and similar methods.

4

Drive financial enablement

Help people monitor balances digitally, avoid overdrafts from overspending and start saving.

5

Promote social impact

Configure cards to align spending with programme goals, such as helping people buy essentials or supporting the local economy – especially the micro and small businesses that have digitalised their services.

Building a more resilient future

Importantly, all of these benefits flow also to the recipients of financial assistance. By working with fintech partners and Visa, governments can forge a future where humanitarian aid is timely, responsive and inclusive – empowering all stakeholders to build a more resilient future.



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