

## **Direct Payment of Pensions to CSPF's Retired Members: Documenting of an Experience**

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### **SUMMARY**

The first payment method for pensions in CSPF was of on account form; later on, for a short period of time the method was turned into a semi-direct method. Then, the direct method of payments became popular since 2007, and the first office that put it into practice was Tehran Department of Education, and the last one that applied this method was the Department of Education in Razavi Khorasan Province in 2016.

In general, the historical process of the direct payment of old-age pensions to CSPF's retired members can be divided into five major periods. During the first period, the main task of CSPF was more of supervisory nature; however, in the second period there was a shift from supervisory position to executive position, that was the beginning of direct payment system. In the third period, CSPF was after rapid structural changes and renovation of the processes, but implementing the new payment system did not go on as fast as expected. The fifth period can be referred to as the blooming period for the direct payment system. There have been some challenges in the aforementioned periods, such as delays in payments, some financial violations in banks and other related entities, lack of staff in CSPF, problems in inquiries from National Organization for Civil Registration, the tolerance against the change on the part of CSPF and the lack of cooperation on the part of different entities and organizations.

The implementation of the direct system has had some positive impacts, like the eradication of delays in payments as well as the significant decrease of financial violations, higher level of control, supervision and transparency in financial affairs.