

Benazir Income Support Programme

## Social Protection in Pakistan

September 20, 2021

 **BISP Head Office, Islamabad**



Poverty Alleviation and Social Safety Division  
Government of Pakistan



# Outline of the Presentation



## 01 Social Protection (SP) in Pakistan

Key Drivers, Evolution, Lessons Learnt from Existing SP Programs



## 02 Brief Introduction of BISP

Profile of BISP Beneficiaries and Organogram

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## Core Initiatives of BISP

NSER, Kafaalat, School Stipend Programme, Nashonuma (Health and Nutrition), Undergraduate Scholarship, Emergency Cash Program



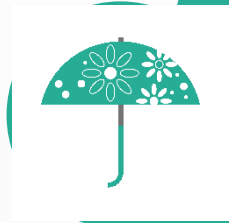
04

## Challenges of SP Systems in Pakistan

Corrective Measures (Introduction of Ehsaas)



# Social Protection in Pakistan- Pre 2008



- Key Drivers of Social Protection in Pakistan
- Evolution of a Social Protection in Pakistan
- Lessons Learnt from Existing Social Protection Programs



## Key Drivers of Social Protection in Pakistan

- Pakistan - ranked among the **43 countries** most exposed to poverty risks
- **54% population** is vulnerable to poverty due to health shocks
- **52 million people** (24% of the population) living below poverty line
- **83 million people** (38% of the population) living below poverty line (MPI)
- Almost **30% households** experience food insecurity

\*The Multidimensional Poverty Index (MPI) captures severe deprivations and constitutes three dimensions

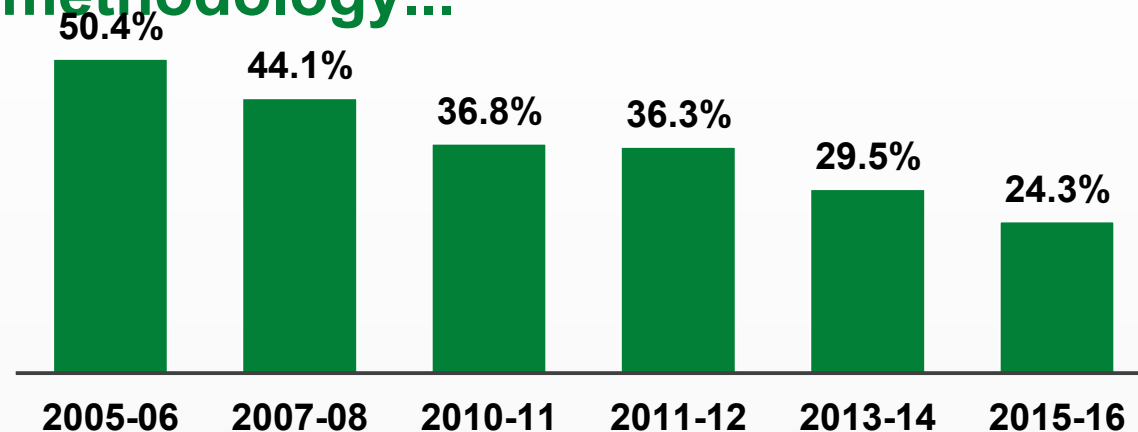


Education

Health

Living Standards

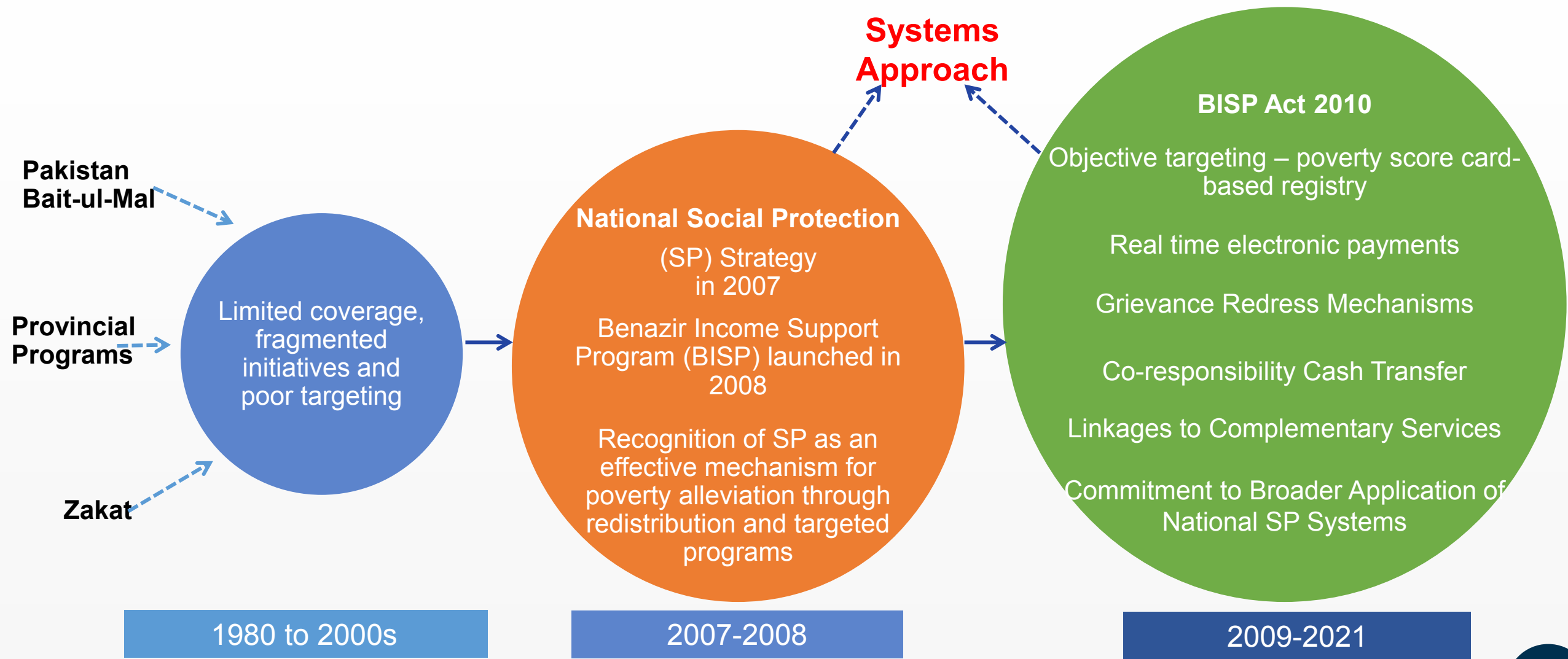
Poverty in Pakistan stands at **24%** based on the **Cost-of-Basic-Needs methodology...**



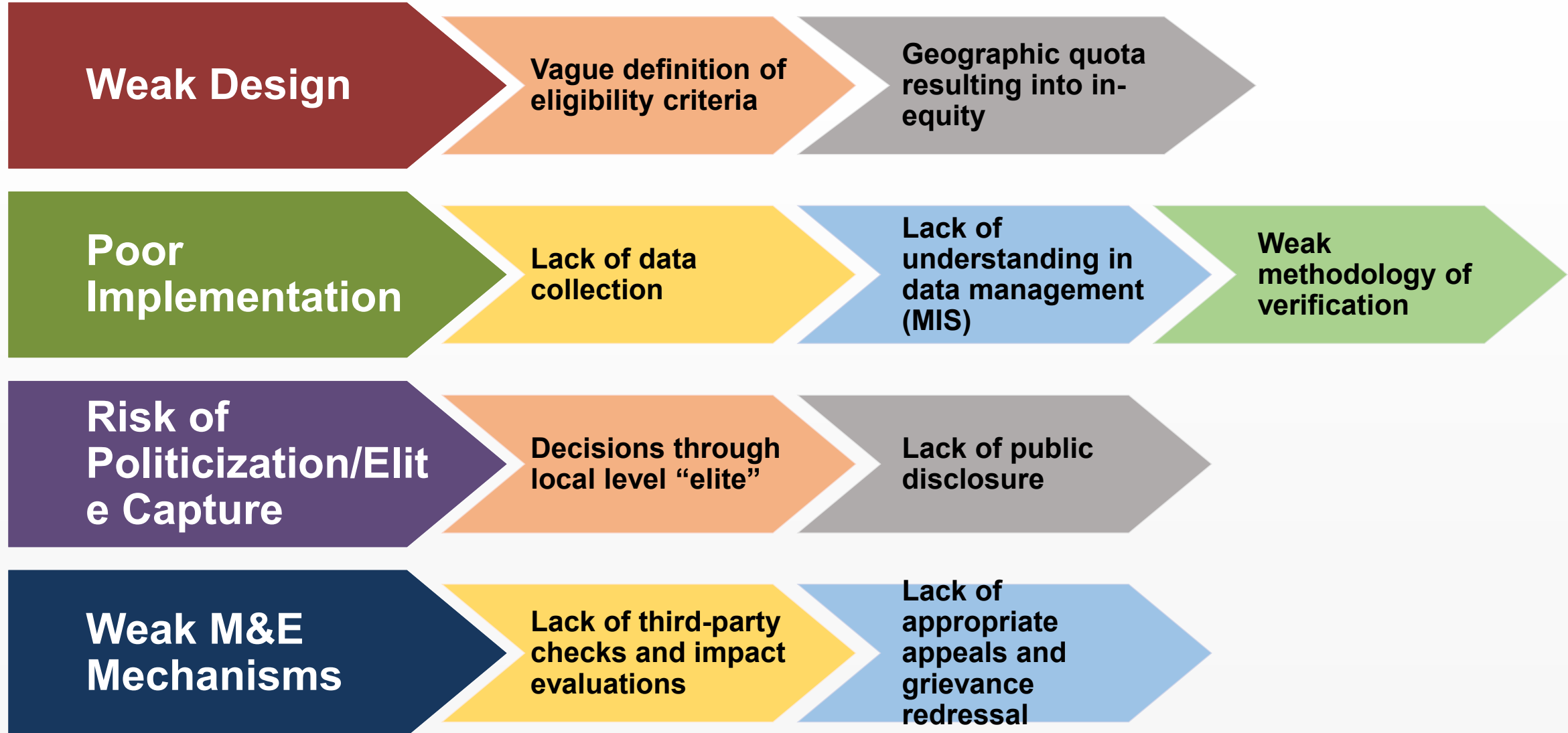
... however poverty jumped to **39%** using the **multi-dimensional index\*** in **2016**



# Evolution of a Safety Net System in Pakistan



## Lessons Learnt from Existing SP Programs



# Brief Introduction of BISP



- Profile of BISP Beneficiaries
- BISP Organogram



## BISP (Year-2008)

- One of the largest **objectively targeted** Safety Net Programs in the world - providing cash transfers to female representatives of eligible families
- Follows a **partnership approach** by separating the functions of data collection, eligibility determination, and payments
- Targeting heavily relies on verification through **National ID registry**
- **Biometric based** payment disbursements
- Effective Monitoring through **third party validation**
- Strong **social accountability** mechanisms in program administration
- **Services to the beneficiaries** through a network of 6 regional offices in all provinces, 35 divisional directorates, and 450 offices in all Tehsils

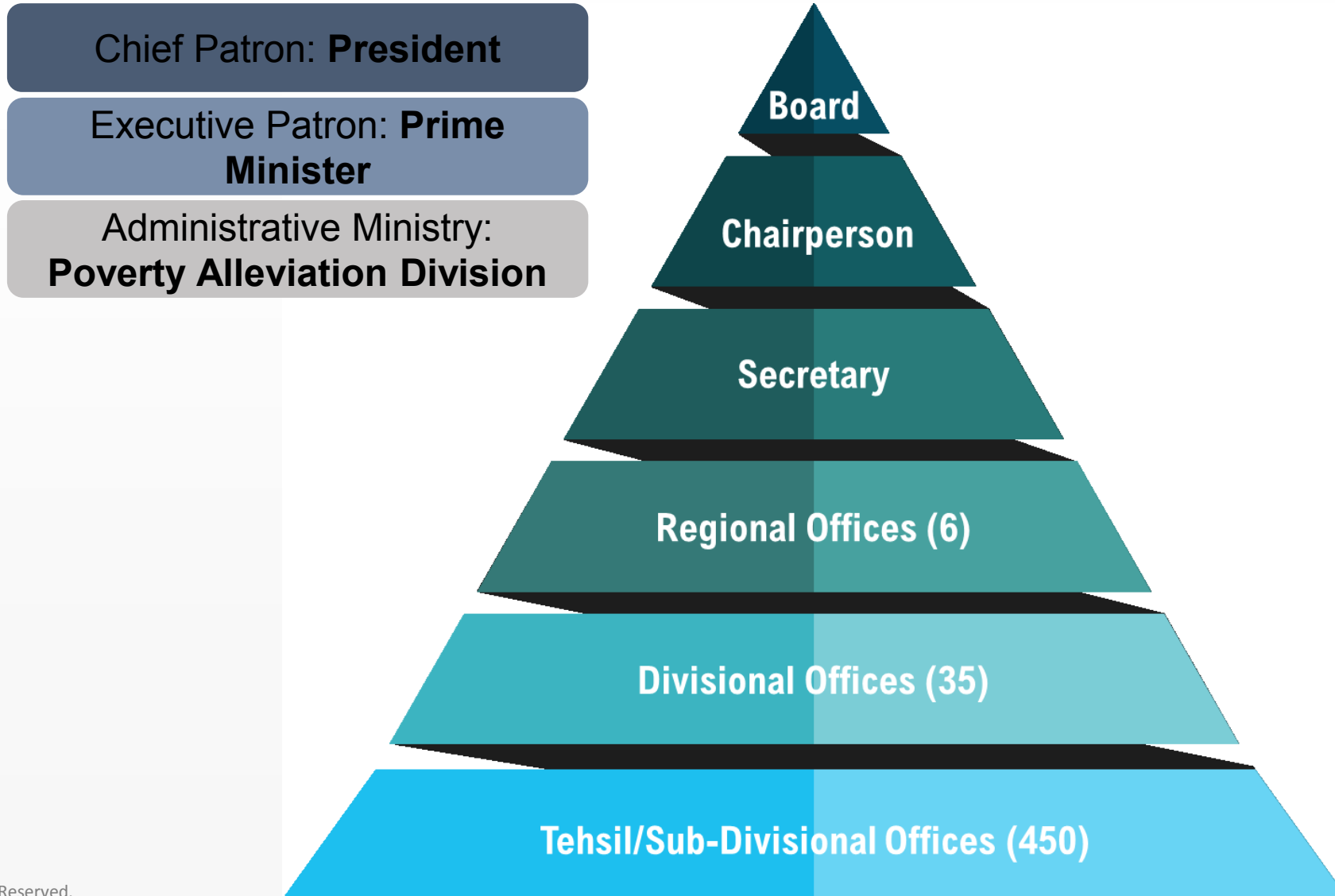




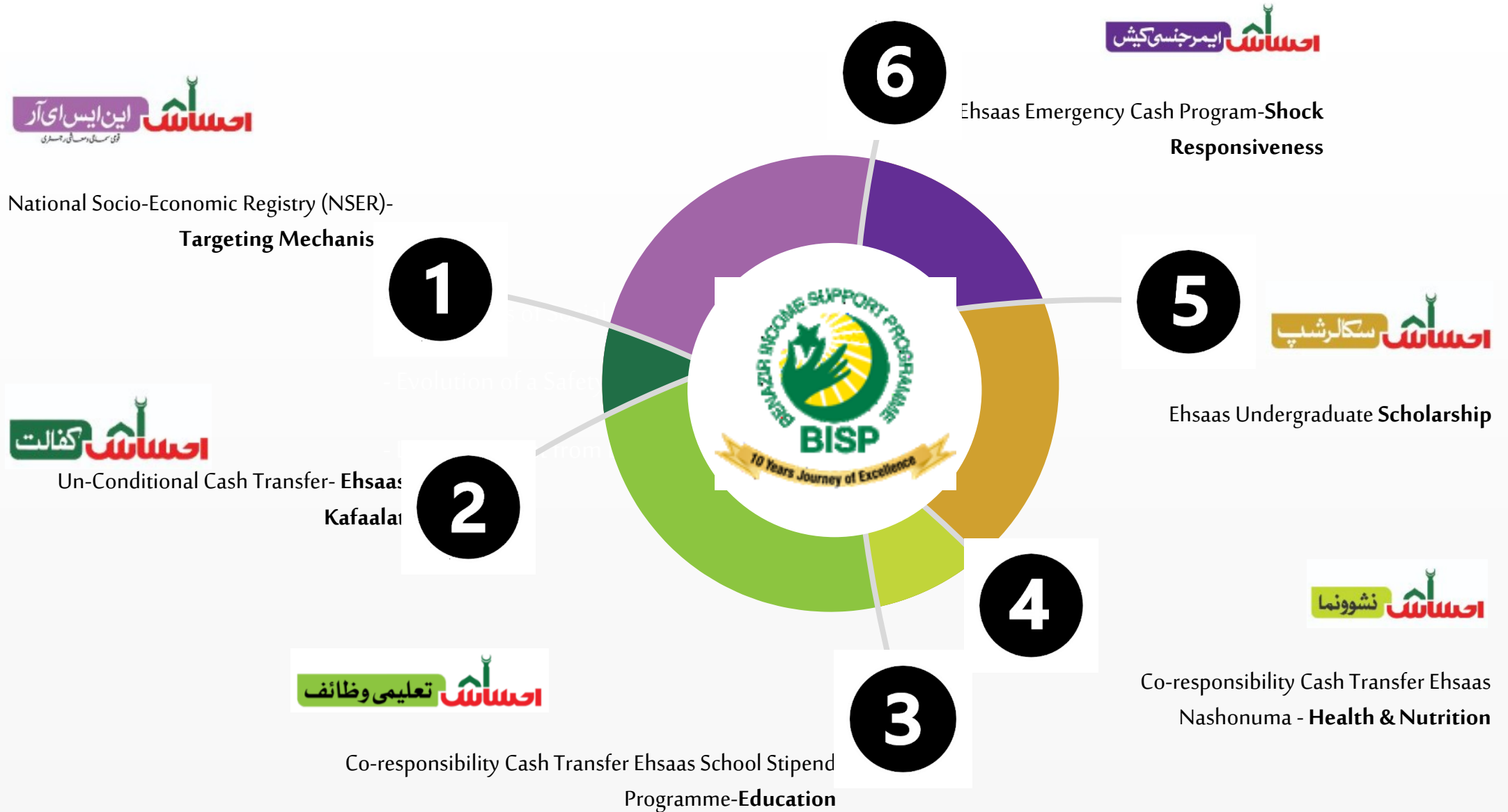
## Profile of BISP Beneficiaries

- **High rates of poverty:** 91% of BISP beneficiaries either ultra poor, poor or vulnerable to poverty due to various shocks
- Facing **multiple deprivations** such as access to education, health, etc.
- Largely with **insecure livelihood opportunities** – dependent on casual labor, informal work, daily wages, etc.
- **Low level of literacy** – 19% of adult women in beneficiary households are literate
- Majority **did not possess the National ID** (CNICs) before the launch of BISP (2008)

# BISP Organogram



# Core Initiatives of BISP



## What is NSER?

- National Socio-Economic Registry (NSER) update is an **all-encompassing dataset** to provide a full spectrum of **household-based status of poverty and wellbeing** across the country.
- NSER has been evolved over the years as the **most reliable dataset** used by a variety of stakeholder including, public sector institutions, policy think-tanks and development agencies for designing social protection and poverty alleviation programs and interventions.
- Previously, NSER data was collected in 2010-11.
- Data of 27 million HHs was collected



## Why NSER (Update)?

- NSER Update is being carried out now for **100% HHs of Pal** again.
- Collect accurate socioeconomic data of 100% of households in target districts using the socio-economic (**updated Poverty Score Card**) questionnaire.
- **Household profiling** on the basis of Socio-Economic characteristics (Collected data)
- **Identify the poor household** for potential assistance through various Ehsaas/BISP initiatives.
- **Reduce the error** (Inclusion and Exclusion) in the repository
- Data of **32 million HHs** is collected



## How the Survey is Carried Out?

### • Poverty Score Card methodology

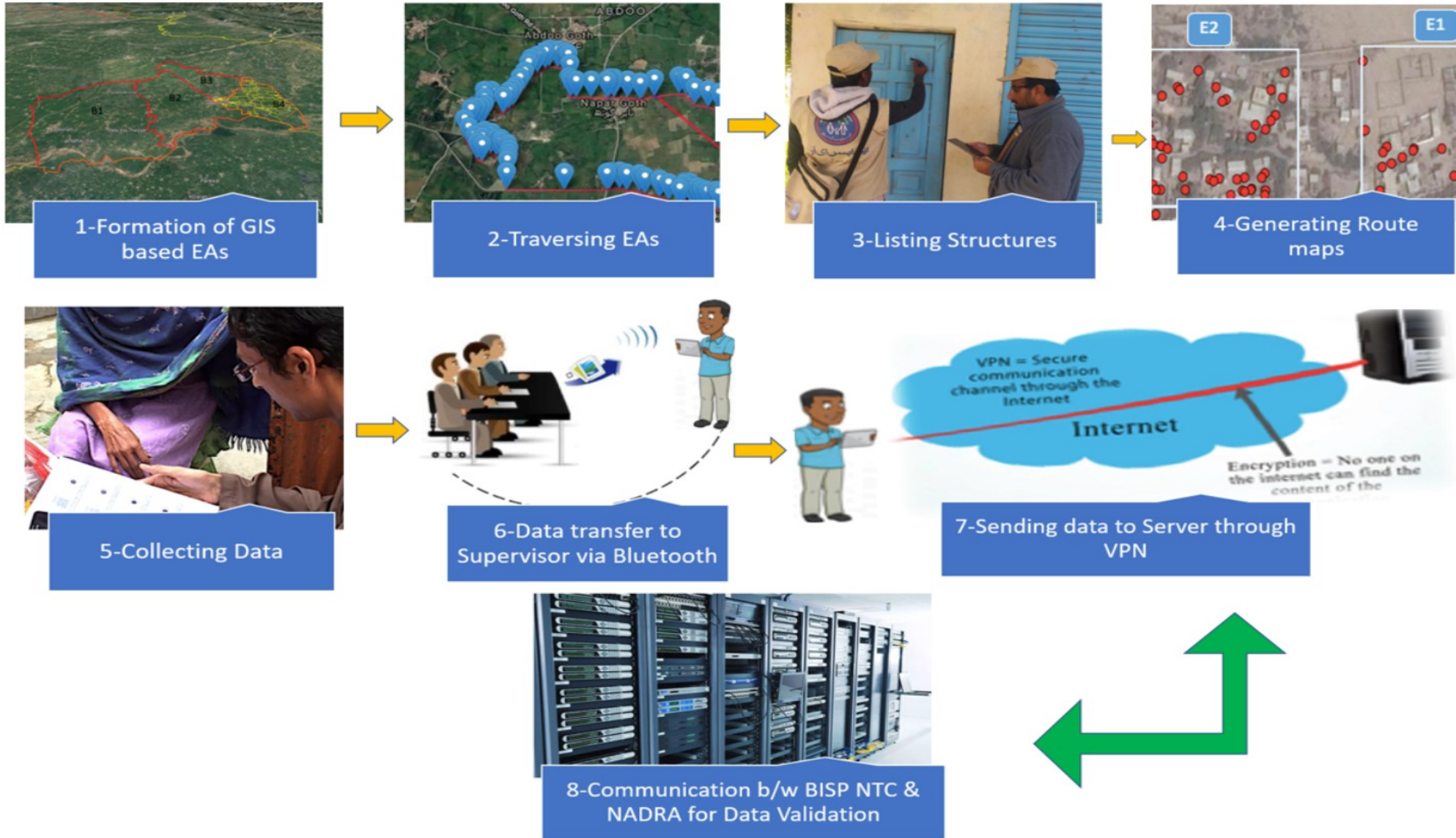
- Survey of each household at doorstep by CAPI approach (43 variables)
- Asset and consumption data of the household (Proxy Means Test )
- Scores calculated for each household (0 to 100)

### • Survey Quality

- End to end digital operation GIS/System/Algorithm
- Third party validation of survey
- Validation by National Registry and third party of identity

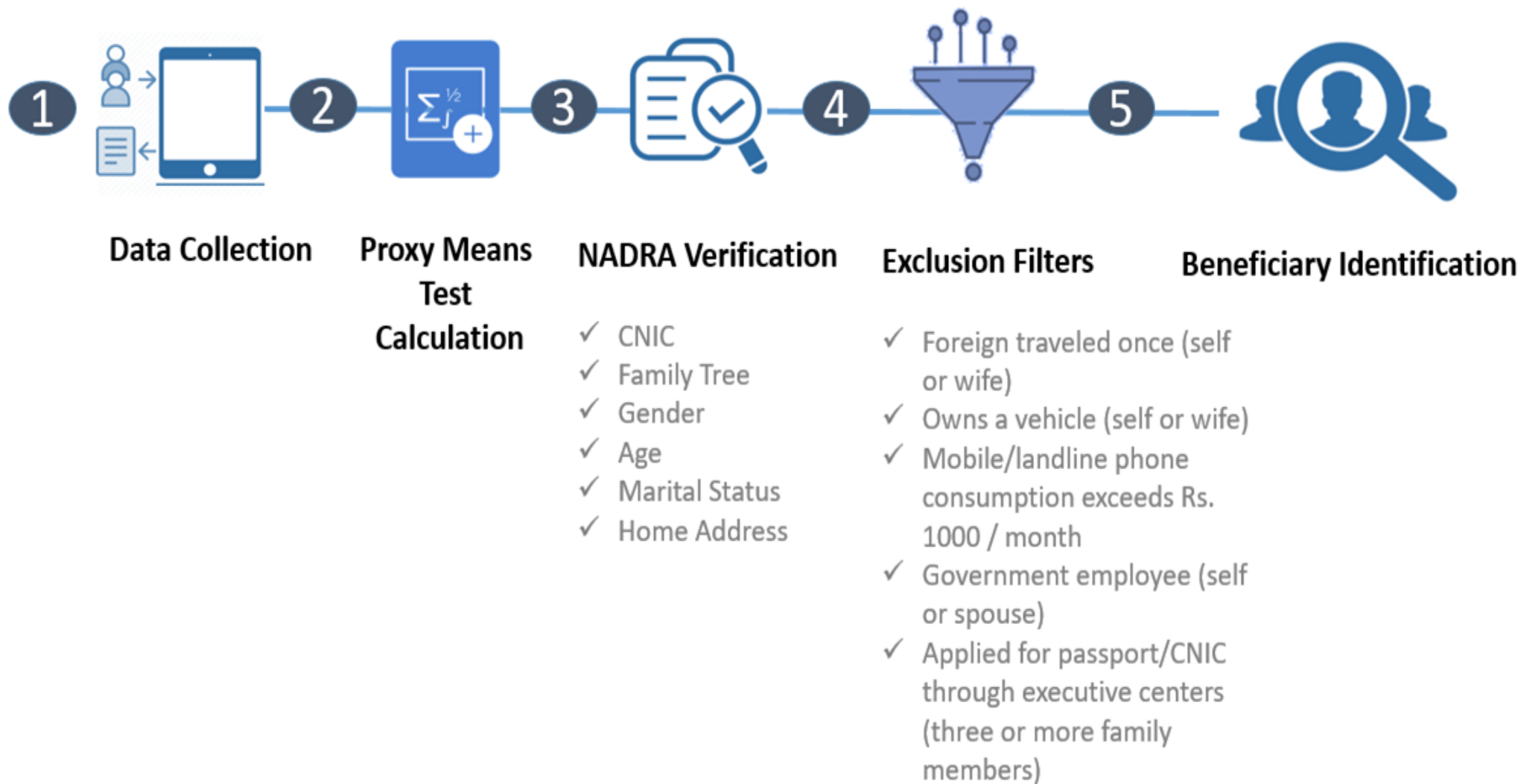


# Survey Process





# The Process of Beneficiary Identification/ Targeting





## Ehsaas Kafaalat Programme

- The Unconditional Cash Transfers (UCT) also called Ehsaas “Kafaala” **core programme of BISP**, was initiated in 2008.
- The benefit is being given through women of the family.
- Initially, the eligible families were paid an amount of Rs. 1000 (\$7) per month or Rs.3,000(\$ 19) per quarter.
- Currently the programme is providing unconditional cash transfers **@ Rs. 6000 (\$37) per quarter** to the destitute and poorest of the poor women throughout country.
- The **short-term objectives** of the programme are consumption smoothing of households by **offsetting the adverse impacts** of inflation, particularly the food inflation and other economic and natural shocks.
- **Currently 6 million beneficiaries** (15.7% of total population) are receiving regular Un-Conditional Cash Transfer
- **\$4.68 billion disbursed** through the programme since 2008
- Target to reach **10 million (26% of total population) beneficiaries by 2022**



# Payments System Evolution



**Pak Post MO**  
**2008**  
Initial payment mode



**Smart Card**  
**April 2010**  
A Pilot Launch in 4 Districts



**Mobile Banking**  
**Dec 2010**  
A Pilot in 5 Districts



**Debit Card**  
**Feb 2012**  
Rolled out in 124 Districts across the country.



**BVS Tech**  
**March 2019**  
One of the modern, Robust System Refined Payment Model Implemented

## Impact of Ehsaas Kafaalat Programme

This evaluation continues to **observe positive impact of the BISP on women's empowerment**, including

- Increasing the **mobility of women** who can travel freely to locations in their community
- Increasing the **involvement of women in household decision making**
- Increasing the proportion of women **who participate in political processes**, including voting
- Decreasing the proportion of women **who experience specific types of gender-based violence**, notably controlling behavior by husbands. However, **other forms of gender-based violence (emotional and physical)** remain prevalent

## State of Human Capital in Pakistan

- A child born in Pakistan today will be 39 percent as productive when she grows up as she could be if she enjoyed complete education and full health
- 21.5 Million children of 5-16 years are out of school
- 93 out of 100 children born in Pakistan survive to age 5
- A child who starts school at age 4 can expect to complete 8.8 years of school by her 18th birthday
- Factoring in what children actually learn, expected years of school is only 4.8 years
- 84 percent of 15-year-olds will survive until age 60
- 40 out of 100 children are stunted, and so at risk of cognitive and physical limitations that can last a lifetime

## Role of Human Capital Development

- Human capital consists of the knowledge, skills, and health that people accumulate throughout their lives, enabling them to realize their potential as productive members of society
- We can end extreme poverty and create more inclusive societies by developing human capital. This requires investing in people through nutrition, health care, quality education, jobs and skills.
- The Human Capital Index quantifies the contribution of health and education to the productivity of the next generation of workers. Countries can use it to assess how much income they are foregoing because of human capital gaps, and how much faster they can turn these losses into gains if they act now.
- **Conditional Cash Transfer Interventions have vital role to play in poverty reduction**

## Conditional Cash Transfer Programs Focused on “Twin Goals”

**Provision of cash transfers**

**Help mitigate direct impacts of poverty to poor households**

**Link transfers to incentives for investments in human capital**

**Help reduce inter-generational transmission of poverty**

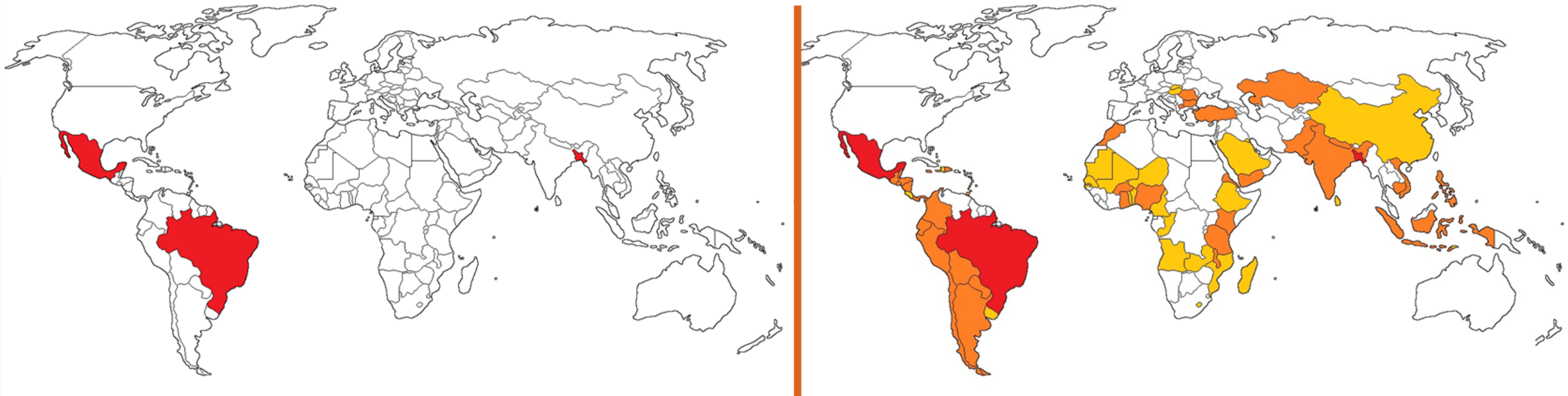
# CCTs – A Vital Part of Poverty Reduction Strategies

Conditional Cash Transfer Coverage has Expanded Rapidly across the World

1997



2021



Sources: World Bank

## Conditional Cash Transfer- Education

- A conditional cash transfer is being provided to increase the enr and reduce the dropout rate through cash incentive.
- Conditional Cash Transfer - Education programme covers following three student cohorts and it is functional in all 154 districts of the country



Gender	Primary(Grade 0-5)		Secondary(Grade 6-10)		Higher Secondary (Grade 11-12)	
	Boys	Girls	Boys	Girls	Boys	Girls
PKR	1500/-	2000/-	2500/-	3000/-	3500/-	4000/-

- Rs. 22 billion (\$0.14 Billion) is allocated for FY 2021-22
- Target to enroll 9 million children in next 3 years



## Impacts of CCT - Education

### IMPACT ON ENROLMENT

- The program increased the proportion of children currently enrolled in primary school by 13% points for boys and 15% points for girls
- School enrolment rates of primary aged children in BISP households are significantly higher for those supported by the CCT (81%) as compared to those who are not (60%)
- The additional cash delivered through the WeT programme increases per adult equivalent monthly value received by a beneficiary household by about 15%. This will support the observed impact on education enrolment through an income effect
- These results compare well to the impact on primary enrolment observed in other CCTs globally

### IMPACT ON ATTENDANCE

- Average attendance rate for both boys and girls is significantly above the minimum required(70%). On average boys had attendance rate of 83% and girl had 81%

### IMPACT ON GRADE REPETITION

- Statistically significant reduction in the proportion of CCT children of 11



## CCT for Health and Nutrition

- **Pakistan ranks 3rd in global burden of stunting and wasting**
- To address stunting prevention and promote dietary diversity during first 1000 days window of opportunity, (BISP) has launched Ehsaas Nashonuma—a Conditional Cash Transfer (CCT) to **increase the uptake of Health and Nutrition services** of its beneficiaries through:-
  - **Provision of Specialized Nutrition Food (SNF)** for Pregnant and Lactating Women (PLWs) and Children (6-23 months)
  - **Immunization** to PLWs and Children (0-23 months)
  - **Awareness Session** on Breast-feeding practices, Hygiene, Sanitation, Dietary diversity etc.
- Quarterly transfer of Rs. 1500/-(\$ 9) for PLWs and boy child (0-23months) and Rs. 2000/- (\$13) for Girl child (0-23months) (including Rs. 500/- as transportation cost)
- Programme is being **piloted in 14 districts** of the country to test the feasibility




# Ehsaas Undergraduate Scholarship

- **Initiated in September 2019**, Undergraduate Scholarship is awarded to meritorious and financially disadvantaged students
- Covers 129 public sector Higher Education Institutions (HEI) across the country. Students can apply online through <https://ehsaas.hec.gov.pk/>
- Eligible students from all disciplines are given tuition fee including mandatory academic charges and living allowance @PKR 40,000/-(\$250) per student
- **50 percent scholarship are reserved for female and 2 percent for differently-abled individuals**
- Total budget PKR 27.93 billion (\$0.18 Billion) for FY 21-22
- **50,762 Scholarships awarded in 2019-20. This year 16,075**



# Ehsaas Emergency Cash Programme (EECP)

- Ehsaas Emergency Cash Programme was **launched in April**  to **prevent the vulnerable families from income shock as a result of COVID-19** lockdown across the country
- Total of Rs. 179.27 billion (\$ 1.11 billion) disbursed to 14.83 million beneficiaries (including regular Kafaalat beneficiaries)
- Rs 12,000 (\$75) per family as one time assistance
- **Programme ranked as No.4 in the world by the World Bank** on quick and efficient response to the shock

## Key Challenges in SP System in Pakistan (Pre-2019)

- **Fragmented and uncoordinated social protection landscape** – marked by weak targeting, low coverage, low benefit amounts, inconsistent administrative practices and overlapping mandates at federal and provincial levels
- **Large public sector investments in general subsidies** – they are regressive and create constrained fiscal environment for health, education and other social sectors
- **Lack of clarity on roles and responsibilities of federal and provincial governments** - in the post 18th Amendment scenario

## Corrective Measures - Introduction of Ehsaas

- **Strengthen administration and monitoring of social protection programs** – use a single **Dynamic Registry** of poor and vulnerable households to improve targeting and efficiency of various SP programs; develop minimum standards for program governance and performance;
- **Phase out general subsidies** – to create fiscal space for essential Social Protection services for objectively identified beneficiaries; undertake benefit incidence analysis to inform public policy makers about real impacts of general subsidies on various income groups
- **Collaboratively develop a National Social Protection Framework** – to harmonize federal and provincial policies and programs and elaborate the roles and responsibilities of federal and provincial governments

**Social Protection and Poverty Alleviation ministry has been established to minimize fragmentation and improve coordination amongst social protection**

# Thank You.

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