UNCONDITIONAL COMMUNITY CASH TRANSFER PROGRAM IN PAKISTAN (BISP)

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(The Frontier Post)
• Social Safety Net Programs in Pakistan
• Benazir Income Support Program
• Objectives
• Administrative Structure
• Poverty Line
• Targeting and Enrollment
• Allocation, Disbursement and Beneficiaries
• National Socio-economic Registry
• Cash Transfer
• Targets Achievable?
• Impacts Evaluation
• Gender Perspective
• Rationale and Recent Developments
SOCIAL SAFETY NET PROGRAM - 2 categories

EMPLOYED LABOR FORCE
- EOBI
- GOVT. PENSION FUND ETC

INFORMAL LABOR MARKET
- BISP
- PPAF
- Micro Finance Network
- Zakat Program
- Pakistan Baitul Mal (PBM)

SDGs
- NO POVERTY
- ZERO HUNGER
- GENDER DEVELOPMENT

Google images
BENAZIR INCOME SUPPORT PROGRAM

**LAUNCHED IN 2008**

**IMPLEMENTING PARTNERS**

**PAKISTAN POST OFFICE (PPO)**

**NATIONAL DATABASE AND REGISTRATION AUTHORITY (NADRA)**

**PHASE 1**
- Identification through NADRA, from database
- (deprived many deserving without NIC)

**PHASE 2**
- (Community based) Through members of National Assembly
- Verification through NADRA

**PHASE 3**
- Proxy Means test (like household demographics, housing conditions and ownership of durable assets).
- Score Card with assistance from WB
OBJECTIVES

IMMEDIATE OBJECTIVE

• Counter the negative effects of food, fuel and financial crisis upon the poor

LONG TERM

• Minimum income package to the poor
• Protect vulnerable population against chronic and transient poverty
**ADMINISTRATIVE STRUCTURE**

**BISP ORDINANCE 2009**

**ESTABLISHED A COUNCIL TO ADVISE**

<table>
<thead>
<tr>
<th>OPERATIONS WING (Design and implementation/grievance redressal)</th>
<th>GENERAL ADMINISTRATION DEPARTMENT</th>
<th>FINANCE AND ACCOUNTING DEPARTMENT</th>
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(Dawn news, Instagram)
POVERTY LINE

**FOOD ENERGY INTAKE (FEI)**
Daily intake: 2350 Cal/adult
PKR 2919

**2015**

**COST OF BASIC NEEDS (CBN): PKR 3881**
- Filling in the score card

TARGETING

PROCESSING & VERIFICATION
- MIS
- Calculation of PMT Score

ENROLLMENT
- Selection through application of Cut off score
ALLOCATION

- PKR 34 Billion ($425M) in 2008
- PKR 70 Billion ($875M) in 2009
- PKR 90 ($900M) Billion in 2016
- More than 80% amount contributed by Government of Pakistan

DONORS

- DFID
- ADB
- World Bank
Source: Pakistan Economic Survey (2018)
NATIONAL SOCIO-ECONOMIC REGISTRY

Based on objective targeting system

Eligibility Threshold: Poorest 20% of Population, household: One ever married female and PMT Score below threshold (PKR: 3,881)

Database of more than 27 million households
CASH TRANSFER- QUARTERLY

• CURRENTLY CASH TRANSFER BY TWO METHODS- 6 PARTNER BANKS

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• Delays in transfers
• Corruption
• Deprivation of far areas

BIOMETRIC VERIFICATION SYSTEM (BVS)

• PKR 3000 in 2009
• PKR 5000 in 2018
• PKR 6000 in 2019

DEBIT CARD (BDC)
TARGETS ACHIEVEABLE? For cash transfer program

Ability of UCT to achieve long term poverty reduction and Human development goals depends on:

- Value of the transfer
- Targeting effectiveness
- Duration and trust in the program
- Functioning public services and complementary interventions
- Functioning markets

(DFID)
• Improved per adult equivalent monthly consumption expenditure
• In 2016 about 87% beneficiaries received 3 out of 4 payments in a year, in 2019 it decreased to 17%.
• Adoption of CBN in 2016 enhanced the poverty line by 33% (OPM 2020); However, Considering FEI, poverty decreased by 7%.
• Improvement in living standards.
• No reduction in labor supply- dependency syndrome rejected
• Increased health related expenditure
CBN poverty levels of BISP beneficiaries (%)

- **2011**: 64 Ultra poor, 24 Poor, 8 Vulnerable, 30 Non-poor
- **2013**: 43 Ultra poor, 33 Poor, 15 Vulnerable, 8 Quasi non-poor, 0 Non-poor
- **2014**: 34 Ultra poor, 35 Poor, 20 Vulnerable, 10 Quasi non-poor, 1 Non-poor
- **2016**: 43 Ultra poor, 33 Poor, 15 Vulnerable, 9 Quasi non-poor, 0 Non-poor
- **2019**: 39 Ultra poor, 33 Poor, 18 Vulnerable, 9 Quasi non-poor, 0 Non-poor

• Expenditure by women in more responsible manner, however increase in savings not noticed
• No improvements have been noticed in child nutrition
• Positive effects on rates of malnutrition amongst girls falling by 4 percentage points in 2015, however, recently no effects identified (2019)
• No impacts in school enrollments but decreased child labor
GENDER PERSPECTIVE: Women Empowerment

INCREASED MOBILITY
- For Cash Collection
- Other social matters (afford transport, resources for shopping, other matters)

DECISION MAKING
- Control over cash-influence household decisions
- Participation in voting

SOCIAL STANDING
- Improved social standing in the community
- 3 quarters of women revealed they have control over the money (OPM 2020)
IMPACT ON POVERTY REDUCTION REDUCED IN 2019

• Targeting poorest 20% has produced significant results
• Nominal value increased, the real value has decreased by 9% since 2011 owing to high inflation

COSTS TO THE POOR

• Private costs
• Transaction costs- waiting in line-wastage of time and energy
CRITICISM

- Political Favoritism
- Being Unconditional Cash Transfer
- Duplicity

- Named after former PM, enrollment carried out through Pol. Reps
- Unconditional Cash transfer will not induce changes
- Several Social safety Programs carried out simultaneously under various Ministries—without Coordination
• Commitment of leadership—Program continued despite change of political leadership
• Improvements over the years e.g. Automation of cash transfer mechanism- involving commercial banks
• Evaluation component-reform
• Women empowerment by active involvement in the process
• Accountability - through various Government Agencies
• Advisory council – President and PM being members, swift decision making
RECENT DEVELOPMENTS: EHSAS Program

- Umbrella initiative of 134 policies and programs
- Aims at social protection, livelihoods and human capital development
- NSER 2020- 20% Completed
- Separate Poverty Alleviation and Social Safety Division-Coordination to eliminate duplicity- one window
- Ehsaas undergraduate scholarships in 2020
- 500 Digital hubs to facilitate poor, provide information and assistance
- National Poverty Graduation Initiative (NPGI)-interest free loans for next 4 years- 50% reserved for women- 100 Districts that lagged behind
- Cash disbursements during COVID19
THANKS