![Maintains – Research supporting social services to adapt to shocks]

Towards shock-responsive social protection: lessons from the COVID-19 response in Pakistan

Research report

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About Maintains

This five-year (2018–2023) operational research programme is building a strong evidence base on how health, education, nutrition, and social protection systems can respond more quickly, reliably, and effectively to changing needs during and after shocks, whilst also maintaining existing services. Maintains is working in six focal countries—Bangladesh, Ethiopia, Kenya, Pakistan, Sierra Leone, and Uganda—undertaking research to build evidence and providing technical assistance to support practical implementation. Lessons from this work will be used to inform policy and practice at both national and global levels.

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List of abbreviations

ADB	Asian Development Bank
AGPR	Accountant General of Pakistan Revenue
AJK	Azad Jammu and Kashmir
BISP	Benazir Income Support Programme
BVS	Biometric verification system
CNIC	Computerised National identity Card
DRM	Disaster risk management
EEC	Ehsaas Emergency Cash
EOBI	Employees Old-Age Benefits Institution
FATA	Federally Administered Tribal Areas
FCDO	UK Foreign, Commonwealth and Development Office
GDP	Gross domestic product
GoP	Government of Pakistan
HIICS	Household Integrated Income and Consumption Survey
IDP	Internally displaced persons
IRC	International Rescue Committee
LMA	Limited Mandate Account
NADRA	National Database Registration Authority
NCC	National Coordination Committee
NCOC	National Command and Operation Centre
NDM	National Disaster Management
NDMA	National Disaster Management Authority
NGO	Non-governmental organisation
NSER	National Socioeconomic Registry
PASS	Poverty Alleviation and Social Safety
PDMA	Provincial Disaster Management Authority
PKR	Pakistani rupees

PMT	Proxy means test
PPAF	Pakistan Poverty Alleviation Fund
PSPA	Punjab Social Protection Authority
SPACE	Social Protection Approaches to COVID-19 – Expert advice helpline
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
WFP	World Food Programme

1 Introduction

1.1 Purpose of this study

In response to COVID-19, around 200 countries/territories have adapted their social protection systems in order to support their citizens and mitigate the economic impact of the pandemic. The ways in which social protection systems have been adapted have differed widely, and have included both the development of new social protection programmes and the expansion and adaptation of existing programmes (Gentilini *et al.*, 2020a).

All of the countries in which Maintains is active (Bangladesh, Ethiopia, Kenya, Pakistan, Sierra Leone, and Uganda) have announced adaptations of their social protection system, albeit with varying degrees of comprehensiveness. Given the many reforms and initiatives currently being implemented as part of the COVID-19 response, the current crisis presents a unique opportunity to learn across different countries and better understand how exactly social protection is used to respond to shocks, and what implications this has for investments in shock-responsive social protection systems going forward.

The purpose of this study is to document the way in which social protection programmes, processes, and delivery systems have been used to respond to the COVID-19 crisis, to provide an assessment of the responses, and to better understand the factors that have enabled successful responses, as well as the factors that have constrained them. Specifically, this study aims to:

- document the social protection responses in all six Maintains countries and, in particular, the use of social protection delivery mechanisms[1] and information systems;[2]
- assess these responses in terms of adequacy, coverage, and comprehensiveness;[3] and
- draw out lessons for future responses and investments in shock-responsive social protection systems.

This report presents the findings from the Pakistan case study and is part of a series of case studies across the six Maintains countries. The findings from this report will also be used to feed into a cross-country synthesis report.

1.2 Overview of the social protection landscape

1.2.1 Enabling environment for social protection

Article 38(d) of the Constitution of Pakistan recognises social protection as a constitutional right and highlights the role of the government in providing welfare and social protection to

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[1] The mechanisms in place for delivering cash or in-kind assistance to social protection beneficiaries and/or people affected by shocks (e.g. targeting mechanisms, payment mechanisms, etc.).
[2] Socioeconomic, disaster risk, and vulnerability information to enable decision-making before and after a shock – including social registries and beneficiary registries, disaster risk management (DRM) information systems, etc.
[3] For definitions of key concepts, see O'Brien *et al.* (2018).

its citizens who are 'permanently or temporarily unable to earn their livelihood on account of infirmity, sickness or unemployment', without any discrimination.[4]

Under the 18th Constitutional Amendment of 2010, social protection was devolved to the provincial level. Nearly all federal social sector ministries were abolished, thereby fully transferring the function of social protection and welfare to the provinces. However, the division of roles and responsibilities relating to social protection between the provinces and the Federal Government remains unclear. That is why, despite the existence of different organisational structures at the provincial levels (see Annex A.1), the implementation and policy coordination for key social protection programmes implemented through the Benazir Income Support Programme (BISP), Pakistan Poverty Alleviation Fund (PPAF), Zakat, and Pakistan Bait-ul-Mal remains at the federal level (see Annex A.2Annex B) (Watson *et al.,* 2017).

1.2.2   Introduction to the Ehsaas Strategy

The existing federal social protection landscape is defined by the Ehsaas Strategy 2019. Ehsaas is a multi-sectoral, multi-stakeholder poverty reduction strategy, with 115 policy actions implemented through 34 federal ministries, divisions, and agencies. The Poverty Alleviation and Social Safety (PASS) Division is the primary implementer and custodian of the strategy (Ahmad and Seyfert, 2020).

The strategy has four pillars: countering elite capture and strengthening governance; safety nets; human capital; and creating jobs and livelihood opportunities. Social protection is part of the 'safety nets' pillar, which aims to support vulnerable families by extending social safety protection programmes and creating linkages with other sectors, including healthcare, education, and livelihood opportunities (Government of Pakistan (GoP), n.d.).

Federal social protection institutions, including BISP, PPAF, Zakat, and Bait-ul-Mal, are directly governed by the nascent PASS Division[5] – see Table 1 for a brief description of the programmes implemented by these institutions.

Table 1:   Summary of key federal social protection programmes

Key institution under Ehsaas	Types of programmes	Target population	Scale of programme(s)
BISP	Conditional and unconditional cash transfers	Women and their families that fall under a specific poverty score cut-off point	7 million women and their families
PPAF	Loans, asset transfers, skills training, micro-credit, and others	People who are poor and marginalised (with a focus on women)	8.4 million micro-credit loans extended

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[4] Under the Ehsaas Strategy, a Constitutional Amendment is recommended to place Article 38(d) in the 'Fundamental Rights' section, instead of the 'Principles of Policy' section, where it is currently located.
[5] Previously, these were governed by different ministries and divisions, including the Finance Division (BISP and PPAF), the Ministry of Religious Affairs (Zakat), and the Cabinet Division (Bait-ul-Mal).

Zakat	Unconditional cash transfers, educational stipends, medical grants	Muslim adults living below the poverty line (emphasis on widows, orphans, and people with disabilities)	300,000 cash assistance beneficiaries
Bait-ul-mal	Educational stipends, financial assistance for medicines and education, child labour rehabilitation, and others	Support to the destitute (widows, orphans, elderly, people with disabilities) and religious minorities ineligible for Zakat	Approximately 64,000 beneficiaries in 2019/20

1.2.3   Introduction to BISP

BISP was launched in 2008 to implement the largest social protection programme in Pakistan. Institutionally, BISP is an autonomous organisation that is responsible for the design and implementation of social protection programmes. It was established through the BISP Act of 2010. It provides cash transfers to eligible women and their families, primarily through the Ehsaas Kafaalat and Waseela-e-Taleem programmes.

Ehsaas Kafaalat, an unconditional cash transfer, is the main programme under BISP – and is commonly referred to as the BISP programme. It provides 7 million beneficiaries with monthly cash payments of 2,000 Pakistani rupees (PKR) (£9).[6] Beneficiaries consist of ever-married women from households in the National Socioeconomic Registry (NSER) that fall under the poverty score cut-off of 16.17 (see Table 4 for more details) who are in possession of a Computerised National identity Card (CNIC).[7]

Waseela-e-Taleem, a complementary conditional cash transfer, aims to encourage school enrolment and retention among children of Kafaalat beneficiaries. It targets children between the ages of four and 12 in 50 districts, and provides PKR 750 (£3.4) per quarter. The first transfer is provided when the student is enrolled and subsequent transfers are made if the child maintains at least 70% attendance in school (GoP, BISP, n.d.). Under the Ehsaas Strategy, this initiative is being expanded to all districts of Pakistan[8].

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[6] Exchange rate of PKR 218.22 per GBP used as at 4 January 2021.
[7] Ehsaas Kafaalat, launched in January 2020, builds upon BISP's previous unconditional cash transfer programme, with a few changes in design and implementation. See more at: www.pass.gov.pk/userfiles1/files/1_%20Kafaalat%20English%20Brief__January%2029_2020(1).pdf
[8] https://bisp.gov.pk/Detail/YzNlY2Q2ZGYtNjIwZS00MjNiLWFhMmEtZGM5NWNkMjZhMjQ3

Box 1:   Overview of the NSER

The NSER is the primary registry containing information on the welfare status of approximately 27 million households (approximately 85% of the population) from across the country. BISP is the owner and custodian of the NSER, while the National Database Registration Authority (NADRA) hosts and manages the database. The NSER was built drawing on a nationwide Poverty Score Card survey conducted in 2010/11. Data were collected through a one-time door-to-door paper-based survey implemented by three independent organisations.

The poverty status of households in the NSER is estimated through a proxy means test (PMT). The poverty score provides a method of approximating a household's level of welfare and poverty using a set of indicators primarily based on demographic information and household assets. The resulting output is an index that is used by BISP and other social protection institutions to identify eligible households.

The NSER survey 2019/20 is currently underway and is partially complete. This is based on a revised Poverty Score Card survey and PMT formula that uses updated poverty proxies and weights developed using the Household Integrated Economic Survey data of 2015/16 and introduces additional variables including indicators for agro-climatic zones (World Bank, 2017). Data are being collected through door-to-door digital, desk-based, and web-based surveys. In districts where data collection is complete a revised poverty score cut-off has been used to update the eligibility status of BISP beneficiaries.

1.2.4   Previous examples of shock-responsive social protection

Social protection institutions and programmes, both at the federal and provincial levels, have been used several times in the past to respond to shocks in Pakistan (Ahmad and Seyfert, 2020). The response to some shocks involved a small-scale expansion that was limited to particular areas, which enhanced the ongoing entitlement for current beneficiaries (vertical expansion), whereas others involved a relatively large-scale expansion accompanied by an increase in the number of beneficiaries who were provided with support (horizontal expansion). Table 2 presents an overview of previous responses to shocks by the social protection system.

Table 2:   Overview of previous responses to shocks by the social protection system

	Shock	Brief description of response
Horizontal expansion of social protection programmes	Bomb-blast victims during the 'war on terror'	All families of bomb-blast victims enrolled in the BISP programme and given additional benefits under certain criteria
	Malakand Division internally displaced persons (IDPs)	All IDP families enrolled in the BISP programme for one year after the 2009 military operation
	Balochistan earthquake 2013	BISP benefits extended to 5,000 earthquake-affected families
	Firing across the Azad Jammu and Kashmir (AJK) Line of Control	All families along the AJK Line of Control affected by Indian firing were enrolled in the BISP programme for one year
Vertical expansion of existing social	Floods 2010	Additional cash assistance provided to existing BISP beneficiaries in flood-affected areas

protection programmes	Sindh drought 2014	One-time additional cash assistance provided to existing BISP beneficiaries in drought-affected areas of Tharparkar district
	Sindh and Balochistan drought 2019	One-time additional cash assistance provided to 54,000 existing BISP beneficiaries in drought-affected areas of Tharparkar, Umerkot, Kharan, Nishki, and Jhal Magsi districts
New programmes	Floods 2010 – Citizen Damage Compensation Programme	Cash assistance to support early response (PKR 20,000) and recovery (PKR 40,000) of approximately 1.6 million flood-affected families across Pakistan
	Temporarily Displaced Persons' Early Recovery Programme	Monthly cash grants amounting to PKR 16,000 for four months, an early recovery grant of PKR 35,000, and child wellness grants of PKR 7,500 in three tranches to returning displaced families

Source: Ahmad and Seyfert (2020)

1.3   COVID-19 in Pakistan

1.3.1   Spread of the disease

The first case of COVID-19 in Pakistan was confirmed on 26 February 2020 and by 18 March 2020 all the provinces and territories of the country had registered at least one case. As at 6 December 2020, a total of 416,499 cases had been reported in the country, with a death rate of 2% (6,416). Currently, 53,126 cases are active, spread across all regions of the country. The highest number of new cases reported in a single day was 6,825, on 13 June 2020, and since then the caseload has experienced a gradual downward trend.[9] A second wave started at the end of October and health experts suspect that the severity of the virus causing the disease is considerably greater in this wave compared to the first wave (Khan, S., 2020).

1.3.2   COVID-19-induced lockdown

From 22 March 2020 onwards, all provinces and territories began to enter lockdowns. This response was initially not supported by the Federal Government, due to fear of economic slowdown and potential loss of income for poor people. However, by the end of March the entire country was under various forms of lockdown, the strictness of which varied across different regions depending on the provincial and local authorities. This complete lockdown continued until 9 May 2020, after which a revised lockdown strategy was introduced, whereby only areas with high caseloads face heavy restrictions. The responsibility for following social distancing guidelines was placed on citizens. Currently, the government is implementing a 'micro-smart lockdown' strategy, which limits restrictions to building- or street-level localities with high levels of positive cases, rather than targeting a wider area.

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[9] http://covid.gov.pk/stats/pakistan?locale=en

1.3.3   Socioeconomic impacts of the pandemic

As has occurred across the world, Pakistan has experienced economic impacts of the measures associated with the pandemic. The country recorded a 0.4% decline in the real gross domestic product (GDP) growth rate during the 2019/20 financial year, against the previously projected growth of 3.3%. Industries and services were the sectors that were hardest hit. The Finance Ministry estimates that around 56.6% of the population has become socioeconomically vulnerable, with informal sector workers, migrants, and women at the highest risk of losing employment (Ministry of Finance, GoP, 2020a). The disruption of essential facilities during COVID-19 lockdowns has also led to other groups becoming vulnerable, including students without access to internet/TV for remote learning, or at risk of dropping out due to financial constraints; children and pregnant women without access to timely healthcare; and increasing numbers of families who have become food insecure (GoP, 2020).

Estimates from the microsimulations produced for this report suggest a significant increase in headcount poverty in Pakistan due to COVID-19. Given the level of uncertainty surrounding the actual impact of COVID-19 on employment income and remittances, we have modelled three impact scenarios with different levels of impact. The 'short term' impact scenario adopts the most dramatic assumption on the impact of the pandemic based on the expected impact of lockdown and restriction measures and on the likely impact on the most affected sectors of the economy. The 'transition' scenario mitigates the impact parameters, assuming that over time some of the negative effect of the pandemic will fade. Finally, the 'recovery' scenario adopts the most optimistic set of assumptions to model a situation where the impact of the pandemic has almost faded away.

Figure 1 shows the increase in the poverty rate by area of residence. In the highest impact scenario, the number of individuals below the national poverty line is predicted to increase from around 42 million pre-COVID-19 to approximately 102 million.[10] In all scenarios, the poverty increases in urban areas are greater than those in rural areas. In the short term, we estimate an increase in poverty of over 35 percentage points in urban areas and of 32 percentage points in rural areas.

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[10] These figures refer to the population of Punjab, Islamabad, Sindh, Khyber Pakthunkhwa (KP), and Balochistan, for which data were collected as part of the 2015/16 Household Integrated Income and Consumption Survey (HIICS).

Figure 1: Absolute percentage-point increase in headcount poverty at national poverty line, by area of residence, by scenario

Source: Authors, based on the microsimulation results using 2015/16 HIICS data.

1.3.4   Fiscal stimulus to support the economy

A multi-sectoral fiscal stimulus package of PKR 1.2 trillion (£5.5 billion) was approved by the Economic Coordination Committee of the Cabinet on 29 March 2020 (Ministry of Finance, GoP, 2020b). This relief package was aimed at supporting vulnerable households and those sectors of the economy which were likely to be hit the hardest due to the economic slowdown. The package included cash assistance for poor households and daily wage earners in the industrial sector; food and fuel subsidies; deferral of interest payments for export and agricultural sectors; staggered utility bill payment options; and procurement of medical equipment or protective gear (The News, 2020).

2   Methodology

2.1   Conceptual framework

To assess the different aspects of each country's social protection system and how this was adapted in the COVID-19 response, we developed a conceptual framework (Beazley *et al.*, 2020). Our framework focuses the analysis of shock-responsive social protection on three dimensions:

- **Response type:** This dimension focuses on three broad options for response: undertaking measures to ensure system resilience; adapting programmes through vertical and/or horizontal expansion and/or launching temporary new programmes; and humanitarian assistance that piggybacks on or aligns with the social protection system.
- **Policies and operational procedures:** This dimension examines how the response is operationalised, including how the policies, systems, and operational procedures used along the delivery chain are developed and/or adjusted for the implementation of the responses.
- **Outcomes:** This dimension provides an assessment of the outcomes of each social protection response in terms of adequacy, coverage, comprehensiveness, timeliness, and long-term implications.

Although social insurance, labour market or employment policies, and social assistance programmes are covered by this framework, our focus is placed on the latter, which includes both in-kind and cash transfers, and where the response interacts in some way with the social protection system.[11]

Using this framework, we developed a detailed set of research questions, which were used to guide the research in each country and to ensure that data collection across countries is consistent. The conceptual framework and detailed research questions provide a comprehensive framework to guide the assessment and, in each country, we have focused on answering the most salient questions based on the country's existing social protection system, the way in which responses are implemented, and the data available for this assessment.

2.2   Data collection

The initial stage of data collection comprised a mapping of the social protection sector in general, and of the social protection responses to COVID-19 specifically. The literature review focused on key documents on shock-responsive social protection, as well as a more thorough investigation of relevant laws, reports, and policy documents related to the social protection response in Pakistan. In order to gather more in-depth information, we also conducted a series of key informant interviews with relevant government officials, development partners, non-governmental organisations (NGOs), humanitarian actors, and

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[11] Social assistance responses that are entirely implemented in parallel to the government's social protection systems are beyond the scope of this study.

other stakeholders at the national level involved in the COVID-19 response. A full list of key informants is provided in Annex B.

2.3 Microsimulations

To assess the adequacy, coverage, and comprehensiveness of the social protection response to COVID-19, we conducted a partial equilibrium microsimulation based on a partial equilibrium modelling framework using nationally representative household-level data. To do this, we simulated the impact of the pandemic on poverty and inequality, as well as the effect of social protection policies that can mitigate negative effects on people's wellbeing. Our model accounts for two main channels of impact: an income channel, and an inflation channel. Household income is impacted through a decrease in the level of remittances received and through a sector-level shock to employment and/or business income. The latter is the result of an unemployment effect for a certain percentage of individuals who lose all their income, and a reduced income effect for all the workers who do not become unemployed and for those who are self-employed or own a business.

The resulting drop in household-level income translates into a drop in household-level consumption, which is also impacted by the change in consumer prices. Poverty and inequality post-COVID-19 are then estimated based on the resulting consumption estimates. Finally, the model estimates the impact on income and therefore consumption of the most relevant social protection interventions implemented or planned in each country to assess their effectiveness, coverage, and adequacy. Assumptions on the level of price and income changes were based on available sector-level GDP projections, estimates from mobile surveys looking at the household-level impact of COVID-19, the type of containment measures applied (stringency of lockdowns), and available information on changes in prices. Medium- and longer-term effects of the pandemic were captured only in so far as exogenous parameters based on general equilibrium modelling are integrated in the modelling framework. Social protection programmes are simulated based on available information on targeting criteria and coverage.

2.4 Limitations

This case study is designed to be a rapid appraisal of the initial phases of the ongoing social protection response to COVID-19 in Pakistan. The following limitations remain:

- Due to widespread travel restrictions, we have not been able to conduct in-country primary data collection at the household level. Therefore, this study does not assess how these social protection responses were implemented in practice, but rather focuses on the design features of the chosen response options, and – so far as possible – the reasons for choosing a given response. However, where possible we have drawn from other reports that have relied on primary data collection at the household or beneficiary level.

- To keep the scope manageable and reduce the burden on key informants, the key informant interviews mainly focused on responses to cover new needs, i.e. adaptation, rather than responses to ensure operational continuity, i.e. system resilience of the existing social protection programmes (such as BISP). Furthermore, we acknowledge that response is still ongoing and will continue to evolve based on the trajectory of the

pandemic. We welcome future research that examines new aspects of response or various aspects of the response more comprehensively.

- For various reasons, and notwithstanding several attempts, the research team was unable to schedule interviews with some key individuals involved in the response. This includes some key staff members at BISP and within the United Nations system. While this likely affects the depth of analysis, we are confident that the study provides useful insights on the response, as well as directions for future research.

2.5   Quality assurance

The study design, methodology, and reports have been subject to a rigorous process of quality assurance. The methodology has received inputs from colleagues at the Social Protection Approaches to COVID-19 – Expert advice helpline (SPACE), and external quality assurance has been provided by two experts selected specifically for this assignment. All outputs from this study have also been through a thorough process of review, with each report internally peer reviewed by a senior social protection expert and the study Team Leader prior to submission to external quality assurance.

3 Overview of social protection responses to COVID-19 in Pakistan

This section briefly outlines social protection initiatives that were initiated, or that pivoted, in order to mitigate the economic impact of COVID-19 in Pakistan. These include programmes by federal and provincial governments, and by donor and implementing agencies.

3.1 System adaptations to support new needs

System adaptations to support new needs involve three potential strategies: i) increasing the benefit levels provided to existing beneficiaries, in recognition of their increased vulnerability; ii) extending coverage to new beneficiaries via existing and/or new programmes; or iii) both. Where relevant, throughout this discussion we have separated the programmes to indicate whether they are led by the GoP or by humanitarian actors. None of the programmes fall within the first potential strategy of increasing the benefit levels provided to existing beneficiaries only. We describe the programmes that fall under the latter two strategies.

Table 3: Summary of system adaptations to support new needs[12]

Type	Programme	Lead implementing agency	Response	Coverage
Increasing the benefit levels provided to existing beneficiaries and extending coverage to new beneficiaries	Ehsaas Emergency Cash (EEC) Programme	BISP	PKR 12,000 one-time cash assistance	16.9 million families
Extending coverage to new beneficiaries via existing programmes	Special Guzara (Sustenance) Allowance in Punjab	Zakat and Ushr Department, Government of Punjab	Cash assistance of unknown amount	200,000 families
Extending coverage to new beneficiaries via new GoP programmes	Ehsaas Ration Programme	PASS Division	Food packs or PKR 3,000	Not available
	Cash Transfer Programme in Sindh	Social Welfare Department	Cash assistance of unknown amount	Not available

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[12] The table covers key programmes at national and provincial levels identified by the authors.

Extending coverage to new beneficiaries via new humanitarian assistance programmes	Education Support Programme for Adolescent Girls in erstwhile Federally Administered Tribal Areas (FATA)	World Food Programme (WFP)	PKR 1,000 per month	21,000 girls
	Cash Assistance for Refugee Families	United Nations High Commissioner for Refugees (UNHCR)	PKR 12,000 one-time cash assistance	75,000 refugee families
	Cash grants for vulnerable communities	International Rescue Committee (IRC)	Multiple	Multiple

3.1.1 Increasing the benefit levels provided to existing beneficiaries and extending coverage to new beneficiaries

EEC Programme

On 1 April 2020, within 10 days of the country-wide lockdown being applied, the government launched the EEC Programme as the primary social protection response to COVID-19. It provided poor and vulnerable households with a one-time transfer of PKR 12,000 (£55) per family for four months between March and June 2020. In total, PKR 203 billion (£0.9 billion) was allocated to support 16.9 million poor and vulnerable families.

The EEC Programme was implemented by BISP (see Section 1.2.3 on BISP). It built upon existing BISP structures and systems to provide additional benefits to 5 million existing Kafaalat beneficiaries (vertical expansion) and 11.9 million temporarily enrolled new beneficiaries (horizontal expansion). The EEC Programme is covered in greater detail in the remainder of this report.

3.1.2 Extending coverage to new beneficiaries via existing programmes

Relief Package at Utility Stores

Under the Prime Minister's COVID Relief Package, PKR 50 billion (£0.2 billion) was allocated to the Utility Stores Corporation[13] to offer essential food items, such as sugar, pulses, rice, wheat flour, and oil, at subsidised rates. The additional budget allocation was made to support the availability of essential items to cater for a potential increase in demand and to mitigate the adverse impact of profiteering and hoarding on poor and vulnerable people. The budget was approved by the Economic Coordination Committee as a technical supplementary grant;[14] however, only about half of the budget (PKR 21 billion) had been

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[13] The Utility Stores Corporation normally runs utility stores that provide food and non-food items to the public, especially to poor households, at subsidised rates.
[14] Technical supplementary grants are funds allocated to institutions above their budgetary allocation. They fall within the government's overall budget envelop and require reappropriation of funds from elsewhere.

spent by August 2020 (Finance Division, GoP, 2020a; The Express Tribune, 2020).No further information is available on the programme's implementation and budget utilisation.

Special Guzara (Sustenance) Allowance in Punjab

The Guzara Allowance is a routine transfer which is distributed under the provincial Zakat Programme. It involves provision of monthly cash assistance of PKR 1,500 (£7) to those living in chronic poverty.[15] The Special Guzara (Sustenance) Allowance, initiated in April 2020 by the Zakat and Ushr Department of the Government of Punjab, was launched to disburse cash to 200,000 families of daily wage labourers whose income has been severely impacted by the lockdown.[16] Beneficiaries were to be identified through local Zakat Committees. No further details are as yet available on the Special Guzara Allowance.

3.1.3 Extending coverage to new beneficiaries via new GoP-led programmes

Ehsaas Ration Programme

The Ehsaas Ration Programme is a government-led portal that connects donors and beneficiaries for the distribution of monthly groceries or equivalent cash. The government assesses the eligibility of both donors and beneficiaries before making the connection. Donors are encouraged to disburse standard food packs or PKR 3,000 (£14).[17] No other details on the implementation of the programme are as yet available.

Cash Transfer Programme in Sindh

During August 2020, the government announced a PKR 20 billion (£92 million) allocation in the 2020/21 provincial budget to support citizens of Sindh who have been economically affected by COVID-19. This amount is to be disbursed as cash transfers and managed by the Sindh People's Support Programme through the Social Protection Strategic Unit and Social Welfare Department. Disbursement was expected to start in September (Dawn, 2020). No further details are as yet available on the design or implementation.

3.1.4 Extending coverage to new beneficiaries via new humanitarian assistance programmes

Education Support Programme for Adolescent Girls in erstwhile FATA

The United Nations WFP implemented a pilot cash transfer programme to encourage the retention of girls in secondary schools of the erstwhile FATA of KP province. The rationale for the programme was that the socioeconomic impacts of COVID-19 are likely to continue longer among adolescent girls in marginalised communities. The programme distributed PKR 1,000 (£5) monthly to girls enrolled in Grades 6 to 10 in government schools, to meet their basic food needs. The programme was unconditional when schools were closed and was conditional on the girls maintaining 70% monthly attendance after schools reopened.

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[15] https://zakat.punjab.gov.pk/guzaraallowance
[16] https://zakat.punjab.gov.pk/node/245
[17] https://rashan.pass.gov.pk/

This programme was implemented in collaboration with the Elementary and Secondary Education Department of KP and was completed by the end of January 2021. While WFP had hoped that the Elementary and Secondary Education Department would mobilise resources to continue the programme beyond the pilot phase,[18] it is not yet known whether additional funds have been secured.

UNHCR Cash Assistance Programme for Refugee Families

UNHCR implemented a Cash Assistance Programme in collaboration with the Ministry of States and Frontier Regions to support 75,000 Afghan refugee households who may have lost their source of income or become vulnerable as the pandemic hit Pakistan (UNHCR, 2020).

This cash assistance mirrored the transfer value of the EEC Programme and provided a one-time transfer of PKR 12,000 (£55) to cover some basic needs for four months. Disbursement started in May 2020. By November, almost 50,000 refugee households had received the transfer and a cumulative PKR 600 million (£2.7 million) had been disbursed (UNHCR Pakistan, 2020a). Disbursement to all households was achieved during December 2020.

Cash grants for vulnerable communities supported by IRC

There are multiple cash assistance and grants that the IRC has initiated as a response to the economic effects of COVID-19. The Building Disaster-Resilient Pakistan project provides a cash grant to vulnerable households who have lost their source of income during the pandemic. With funding from the UK Foreign, Commonwealth and Development Office (FCDO), IRC is also launching a one-time cash transfer to poor and vulnerable households. 40% of the beneficiaries will be identified using the NSER and BISP data, with the remaining 60% identified by local communities, with priority given to members of religious minorities or transgender communities. IRC is also implementing a pilot cash emergency assistance to 1,250 households impacted economically by COVID-19. In the process, it is testing its digital systems for registering beneficiaries, collaboration for cash support, and monitoring and evaluation systems (IRC, 2020).

3.2   Focus of this report

The remainder of this report focuses on the following two programmes, both of which were specifically designed to financially support vulnerable households impacted adversely by the economic slowdown caused by COVID-19:

1. the EEC Programme; and
2. the UNHCR Cash Assistance Programme for Refugee Families.

The rationale for selecting these programmes for assessment in greater detail includes the following: their size and scope was large; a significant amount of information on their features is available; and their implementation is complete, which means that some lessons

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[18] Concept Note – Education Support Programme (provided by WFP).

can be learnt and documented, based on their respective experiences. While some of the design features of the two programmes were aligned, the rest of the modalities were distinctly different, as laid out in greater detail in Sections 4 to 7.

4   Policy

In this section, we discuss how the social protection response to COVID-19 in Pakistan has been operationalised, focusing on financing of responses, relevant legislation, policies, and strategies, and governance and mandates with regard to social protection and coordination of the overall social protection response, including coordination with non-state actors.

4.1   Financing

The Federal Government's budget allocation to social protection is PKR 230.9 billion (£1 billion, approximately 3.3% of total government expenditure) in 2020/21 and was PKR 190.6 billion (£0.9 billion) in 2019/20. The 2019/20 allocation was revised to PKR 245 billion (£1.1 billion) to accommodate the COVID-19 fiscal stimulus package (Finance Division, GoP, 2020b).

Social protection is primarily financed by the GoP, with some financial assistance from bilateral and multi-lateral development partners and international organisations. The most prominent financing partners for BISP are the World Bank, the Asian Development Bank (ADB), FCDO, and (historically) the United States Agency for International Development.

4.1.1   EEC Programme

The EEC Programme was mainly financed by the Federal Government, with support from provincial governments, the Prime Minister's COVID-19 Relief Fund, and international financial institutions (namely the ADB and the World Bank) – see Annex C for a breakdown by beneficiary type.

The GoP allocated a total of PKR 203 billion (£0.9 billion) to the EEC Programme – an increase from the initial allocation of PKR 144 billion (£0.7 billion).[19]

The Government of Punjab funded part of the increase (by committing PKR 8.4 billion, or £38 million) to support 700,000 additional households from the province under the EEC (Nishtar, 2020a).

The Prime Minister's COVID-19 Relief Fund financed part of the increase to support unemployed labourers under the EEC. The Relief Fund comprises donor contributions matched by federal funding (four rupees for each rupee donated). As at November 2020, in total, PKR 24.43 billion (£0.1 billion) had been collected. This comprised PKR 4.8 billion (£22 million) in donations and PKR 19.55 billion (£89 million) in government contributions (Reza, 2020). A portion of this fund was used under the EEC.

The ADB and World Bank provided US$ 200 million (£146 million) and US$ 25 million (£18 million), respectively, to finance the top-up to existing Kafaalat beneficiaries under the EEC.[20,21] The ADB also provided budgetary support of US$ 500 million (£366 million)

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[19] Additional funds were approved by the Cabinet.
[20] Exchange rate of US$1.37 per GBP used as at 4 December 2021.
[21] Stakeholder Engagement Plan for PREP.

through the COVID-19 Active Response and Expenditure Support (CARES) programme. Part of the funds are allocated to temporarily enrolled EEC beneficiaries (ADB, 2020).

4.1.2 UNHCR Cash Assistance Programme for Refugee Families

The total amount committed under the UNHCR emergency cash programme was approximately PKR 840 million (£3.8 million) (UNHCR Pakistan, 2020b), with support from donors, including Japan, the United States of America, and the European Union (UNHCR Pakistan, 2020a).

4.2 Legislation, policies, and strategies

In its response to COVID-19, the government has used disaster management legislation, rather than public health legislation (Hillier *et al.,* 2020). This has meant that the response has been implemented through disaster risk management (DRM) systems and structures established through the National Disaster Management (NDM) Act of 2010.[22] provides an overview of the DRM structures at various levels of government.

The primary social protection response to COVID-19 has been implemented through BISP. The Federal Government played a coordinating and regulatory role in setting up the response (Ahmad and Seyfert, 2020).

There is no coherent policy regarding how social protection roles are distributed between federal and provincial governments (Ahmad and Seyfert, 2020). Despite the devolution of social protection functions to provinces, BISP, the largest social protection programme, which is often used to respond to shocks (see Section 1.2.4), remains at the federal level.

Moreover, there is no explicit legal and policy framework for shock-responsive social protection. However, BISP's legal and strategy frameworks are broad enough to allow it to respond to shocks (Ahmad and Seyfert, 2020). The BISP Act 2010 states that the programme's objective is to 'enhance the financial capacity of the poor, […] reduce poverty and promote equitable distribution of wealth'.[23] This is general enough to allow BISP to respond to shocks. Moreover, among other objectives, the nascent Ehsaas Strategy aims for safety nets to provide assistance to those who have suffered catastrophic events: this potentially lays the groundwork for shock-responsive social protection.

4.3 Governance and mandates

There are no institutionalised linkages between DRM and social protection, through BISP or otherwise, at the national level. The key high-level decision-making bodies for DRM (the

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[22] Though the National Disaster Management Authority (NDMA) is the lead organisation for disaster management in the country, it usually does not deal with health crises; instead, an agency called the National Health Emergency Preparedness Response Network (NHEPRN) – a subsidiary of the Ministry of Health – is in charge of the response. However, when the pandemic started in Pakistan, there were capacity issues with NHEPRN and therefore the NDMA was entrusted this duty.

[23] BISP Act 2010.

National Disaster Management Commission) and BISP (the BISP Board) are distinct, with no federal body mandated to ensure coordination.

At the provincial and district levels, some linkages exist through representation in disaster management authorities. Officers from social protection-related departments are members of Provincial Disaster Management Authorities (PDMAs) and District Disaster Management Authorities (DDMAs) (see Box 2 for an overview of DRM structures). However, not all social protection departments are represented in the PDMAs, or have a district-level presence. Therefore, linkages partly depend on the provincial and district capacity of departments (Ahmad and Seyfert, 2020).

The Council of Common Interest, responsible for inter-provincial coordination on all matters common to federal and provincial governments, could be a potential forum for institutionalised coordination between social protection and DRM. However, it likely cannot undertake the coordination comprehensively due to its broad mandate. An alternative option to manage this coordination may be through the engagement of District Commissioners who head the District Social Protection Committees.

A 'whole-of-government' approach was adopted for the implementation of the EEC Programme, with agencies at all levels of government undertaking key implementation responsibilities. BISP was the lead implementing agency for the EEC Programme. Under its guidance, NADRA led the data management and analytics required for targeting, registration, and verification. Provincial and district governments and their security apparatus undertook payment site planning and logistics, and banks undertook payment disbursal.

Box 2:   Overview of DRM structures and mandates

National, provincial, and district disaster management authorities were formed under the NDM Act of 2010. The NDMA is tasked with implementing, coordinating, and monitoring disaster management across the country. PDMAs, in collaboration with DDMAs, are tasked with developing and implementing disaster response plans, in line with NDMA's policies and plans. The DDMAs are the primary responders to disasters.

The division of roles at various levels is relatively clearly articulated for the DRM system through the NDM Act and National Disaster Risk Reduction Policy 2013. In most shocks, the NDMA or PDMA is the lead coordinating body. The response varies based on the scale of the disaster and the capacity of national and sub-national actors.

4.4   Coordination

Coordination between BISP, provincial social protection departments, and disaster management authorities is limited and challenging in the absence of institutionalised linkages and coordination arrangements (discussed in Section 4.3). The coordination process tends to be time-consuming and may lead to duplication of efforts at the national and sub-national levels. A possible example of duplication in social protection is the fact that some provinces (particularly Punjab and Sindh) announced social protection responses to COVID-19 in parallel to the EEC Programme. An example of a lack of coordination between BISP and DRM is that the AJK PDMA was not aware of BISP's plans to enrol beneficiaries for a cash transfer in their region along the Line of Control (Ahmad and Seyfert, 2020).

The National Coordination Committee (NCC) and National Command and Operation Centre (NCOC) were established to lead and coordinate the government's response to COVID-19. The NCC, chaired by the Prime Minister, is responsible for taking all necessary measures for the response, including taking decisions and issuing instructions to relevant departments. The NCOC, led by the NDMA, is responsible for undertaking continuous situational reviews and issuing advice, among other things (Ahmad and Seyfert, 2020). Along with a range of other ministries and departments, social protection officials are part of both platforms: the PASS Division Special Assistant to the Prime Minister and BISP Chairperson is a member of the NCC and a BISP Director General is a member of the NCOC.

The NCC and NCOC platforms are used for engagement and consultation with members (including provincial leadership) over key decisions (including for the EEC). The NCOC is utilised to coordinate decisions between the provinces and Federal Government, and across departments (Nishtar, 2020a).

At an early stage of the pandemic, BISP engaged with donor partners to seek technical advice on design considerations for the EEC Programme. For example, analysis requested by BISP and commissioned by FCDO enabled BISP to access information regarding the provision of cash transfers at an early stage of the lockdown.

4.4.1 UNHCR Cash Assistance Programme for Refugee Families

UNHCR coordinates with the Ministry of States and Frontier Regions, the Chief Commissionerate for Afghan refugees (federal level), and the offices of the Commissionerate for Afghan Refugees (provincial level) to implement activities for Afghan refugees. Coordination with NADRA was key for the Cash Assistance Programme since NADRA is the custodian of data on registered Afghan refugees. UNHCR also partnered with the Pakistan Post Office to deliver transfers via money orders (United Nations Pakistan, 2020).

After completion of the Cash Assistance Programme, UNHCR is now coordinating advocacy efforts regarding the inclusion of refugees and asylum-seekers in the NSER, in order to include this segment of the vulnerable population in the wider social protection system.

5   Design

This section discusses the design of the social protection responses for the EEC Programme and the UNHCR Cash Assistance Programme.

5.1   Transfer amount, modality, and frequency

5.1.1   EEC Programme

The EEC Programme featured a one-time cash transfer of PKR 12,000 (£55) (Nishtar, 2020a) disbursed via biometric-enabled cashpoints temporarily set up in public buildings by the government. The transfer value was meant to help meet immediate subsistence needs for eligible households, to mitigate the impact of lockdown. For existing Kafaalat beneficiaries, this meant that their monthly payment saw a total increase of PKR 4,000 (£18) for the four months of payments.

The BISP Board made recommendations regarding the emergency response transfer value to the Cabinet or Prime Minister for approval (Ahmad and Seyfert, 2020). While most key informants for this case study were not privy to the decision-making process, many speculated that the transfer value was decided on the basis of the available fiscal space, rather than an assessment of the cost of basic needs (Ahmad and Seyfert, 2020). A few key informants indicated that a one-time transfer was chosen to reduce the risk of COVID-19 transmission associated with the transfer process. Cash was chosen as the mode of delivery because systems for disbursement were in place for rapid implementation and the GoP viewed cash as more effective and efficient than vouchers or in-kind assistance (Nishtar, 2020a).

5.1.2   UNHCR Cash Assistance Programme for Refugee Families

As vulnerable refugee families were not eligible to apply for support under the EEC Programme (which was for Pakistani citizens only), the Cash Assistance Programme for Refugee Families entitlement was purposefully aligned with the EEC Programme. The transfer level per household was therefore also set at PKR 12,000 (£55). Other design and implementation features of the programmes differed, and these are discussed in Sections 5 and 6.

5.2   Eligibility, conditionalities, and targeting

5.2.1   EEC Programme

The EEC had six categories of beneficiaries. The targeting and data analytics methodology was approved by the BISP Design Committee and Board, Economic Coordination Cabinet Subcommittee, and ultimately the Cabinet.

The table below outlines the eligibility criteria against each category of beneficiary.

Table 4:   EEC Programme eligibility criteria by category

Cat.	Beneficiary description	Eligibility criteria
I	5 million existing Ehsaas Kafaalat beneficiaries	• Existing Kafaalat beneficiaries with a poverty score below cut-off of 16.17 using the 2010/11 NSER[24] • Wealth profiling-based exclusion criteria applied
II	4 million additional poor and vulnerable families identified from the NSER	• Data on applicant must exist in the NSER surveys of 2010/11 or 2019/20 • Poverty score cut-off must be between 16.17 and 38[25] • Selected on the basis of provincial population shares in accordance with the 2017 national census • Wealth profiling-based exclusion criteria applied
III	3.5 million additional poor and vulnerable families identified through provincial and district administrations	• Either poverty scorecard cut-off between 16.17 and 38 if data on applicant exist in the NSER surveys of 2010/11 or 2019/20[26] or individuals with six-monthly average mobile and landline telephone bills of less than PKR 100 • Selected on the basis of provincial and district population shares in accordance with the 2017 national census • Wealth profiling-based exclusion criteria applied
IIIA	0.7 million additional poor and vulnerable families from Punjab identified through district administrations	• Same as Category III • Only beneficiaries from Punjab
IV	1.2 million labourers who suffered livelihood loss due to the pandemic	• Either poverty scorecard cut-off between 16.17 and 38 if data on applicant exist in the NSER surveys of 2010/11 or 2019/20 • Or individuals with six-monthly average mobile and landline telephone bills of less than PKR 100 • Self-reported income below PKR 30,000 • Wealth profiling-based exclusion criteria applied
V	2.5 million new poor families that fit the Category II or III eligibility criteria but were excluded due to reaching the limit for total number of beneficiaries	• Either Category II or III

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[24] The poverty score cut-off with the updated NSER 2019/20 survey and revised PMT formula is higher than the previous cut-off. Both 2010/11 and 2019/20 NSER and poverty scorecard cut-offs were used to determine eligibility.

[25] For each province, the poverty score cut-off was raised to accommodate the total number of new beneficiaries that were to be identified from that province. Each province had a different poverty score cut-off based on their provincial population shares.

[26] 2.7 million Category III beneficiaries were identified through the NSER.

The EEC Programme added categories of beneficiaries over time to accommodate some of the emerging needs and changing contexts. Categories I to III were launched in April 2020 and Categories IIIA to V were added and approved (by the Cabinet) in May 2020 (PASS Division, GoP, 2020).

The emergency cash transfer was initially targeted at existing Kafaalat beneficiaries and new beneficiaries identified through the NSER survey or provincial and district administrations (Categories I to III). Multiple means of targeting were introduced to try to not leave out affected families. For instance, identification through local administrations (Category III) was included to cater to individuals whose data may not be in the NSER and who would have been missed under Categories I and II (Nishtar, 2020a).

New categories were introduced to give provinces the opportunity to enrol more families (Category IIIA), include labourers who had suffered income loss due to the pandemic and had not received support through the EEC Programme otherwise (Category IV),[27] and accommodate eligible families excluded due to reaching the limit for the number of total beneficiaries, or district or provincial quotas under Categories II and III (Category V).

These additions required an increase in budget. The sources of funding and budget are discussed in Section 4.1.

Possession of a CNIC was necessary for eligibility. The CNIC contains a unique identity number required by Pakistani citizens to undertake most activities in the formal economy. At first, only valid CNIC cardholders were eligible. Due to the closure of NADRA registration centres during lockdown, this condition was later revised to accommodate both valid and expired or invalid CNIC cardholders.

Only one member of the family was eligible to receive the EEC transfer. Under Category I, only women (Kafaalat beneficiaries) were eligible for the programme. Men, women, and transgender individuals were eligible for the remaining categories (II – V). This was the first time the Kafaalat programme had relaxed what was previously a female-only eligibility criterion, potentially because fewer women possess CNIC cards (Ahmad and Seyfert, 2020). In fact, male heads of household in possession of CNIC were preferred (Ministry of Finance, GoP, 2020c).

Exclusion criteria were used across all categories to render households ineligible based on wealth proxies. This criteria were developed in 2019 as part of an effort to update the stagnant socioeconomic registry. This resulted in the removal of 0.8 million recipients from the Kafaalat programme (Ahmad and Seyfert, 2020). Applicants were excluded from the EEC if they met any one of the following criteria:

- engaging in international travel;
- ownership of a car;
- in government employment;
- income levels above PKR 50,000 declared by the Federal Bureau of Revenue (tax collection agency);

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[27] Several key informants indicated that this category was created in line with the interests of the Ministry of Industries and Production.

- expensive processing of national identity card by three or more members of the family or passports through NADRA Executive Centres;

- ownership of land (in the case of Punjab only);

- average monthly telephone bills over six months exceeding PKR 1,000 (£5) (Nishtar, 2020a).

5.2.2 UNHCR Cash Assistance Programme for Refugee Families

The COVID-19 Pakistan: Socio-Economic Framework developed by the United Nations agencies in the beginning of the pandemic notes that, as per UNHCR's working, more than 72,000 Afghan refugee households were identified as falling under the category of 'Persons with Specific Needs' (GoP, 2020).

UNHCR's eligibility criteria sought to identify refugees and asylum-seekers who were suffering negative economic impacts due to the lockdown (similar to the EEC), along with other groups among refugees and asylum-seekers who were highly vulnerable. The criteria included the following seven groups of people: (UNHCR Pakistan, 2020b)

1. **People with disabilities:** Refugees living with physical, mental, intellectual, or sensory disabilities from birth or resulting from illness, injury, trauma, or old age that impede on their independent functioning.

2. **Children at risk:** Unaccompanied, orphaned, separated, or otherwise vulnerable children (below the age of 18) living without family support or adult care – the child may be alone or caring for younger children within the household.

3. **Women at risk:** Women (18 years or above) living without effective male protection, including widows, single mothers, women with disabilities, and other women at risk, such as survivors of violence.

4. **Older persons at risk:** Elderly refugees (60 years or above) – both single older persons and older couples – living without family support, who may or may not receive some assistance from the community.

5. **Those with serious medical conditions:** Refugees living with severe medical conditions that require assistance and whose condition impacts their independent functioning.

6. **Single parents:** Single caregivers, male or female, caring for one or more children (under 18 years) who could be biological or non-biological children or siblings needing protection and care.

7. **Daily wage labourers:** Those who have lost their income due to COVID-19 and who have large families (four or more children) to care for. The individuals could also be eligible if they met *all of the following* criteria:

   o the head of household worked as a daily wage labourer and has lost her/his job due to restrictions imposed by the COVID-19 outbreak; and

   o the total previous household income was less than PKR 20,000 (£91) per month at her/his previous job; and

- o the family does not have any other source or form of income, including from other wage earners (spouse, children, other relatives) within the household; and

- o the family does not own any significant assets, including (but not limited to) cars, motorbikes, auto rickshaws, property, land, cattle, etc.; and

- o the family is not receiving remittances from friends and/or relatives overseas or in Pakistan; and

- o the family has not received any other COVID-19-related assistance or charity from other sources (including from government, NGOs, Zakat, community members, etc.) either in cash, in-kind, or in the form of food support; and

- o the household contains at least one child under 18 years of age.

Around half of the beneficiaries were daily wager labourers (criterion 7), whereas the other half comprised beneficiaries falling under criteria 1 to 6 (UNHCR Pakistan, 2020b).

6 Implementation and operations

This section describes the implementation and operations of the EEC Programme and the UNHCR Cash Assistance Programme for Refugees.

6.1 Outreach and communications

6.1.1 EEC Programme

To reach the target groups, advertisements were run by the Ministry of Information on television and in newspapers. Keeping in view the low literacy levels, volunteers were sought to assist potential beneficiaries in sending out and interpreting the messages. Updates and announcements were made through PASS Division Special Assistant to the Prime Minister and BISP Chairperson's Twitter handle which electronic and print media could pick up (Nishtar, 2020a).

All public communication campaigns highlighted that the purpose of the EEC was to support the subsistence needs of those most affected by the pandemic, and that those with some means of existing support should not seek to register.[28]

6.1.2 UNHCR Cash Assistance Programme for Refugee Families

UNHCR and its partners relied on the existing community-based protection mechanisms (refugee elders and focal persons, community committees, and outreach volunteers) to disseminate information on the UNHCR Cash Assistance Programme for Refugee families. These 'community leaders' were provided details on the eligibility criteria for the UNHCR cash assistance programme and tasked with the identification of the vulnerable refugee families based on the provided criteria. Community leader refers to (a) prominent person(s) in the refugee community settlements, refugee camps, or villages – most often an elderly and respected person who is also well-informed about the households in the community and their respective needs. This strategy was chosen in the absence of i) a direct presence of UNHCR particularly in urban refugee communities and ii) other effective communication channels, such as mobile phones with internet access and access to TV and radio, especially in refugee communities living in far-flung areas of the country. It was agreed that community leaders would pass on the messages to their respective communities. The outreach was undertaken virtually and in smaller groups to ensure the implementation of social distancing protocols. More than 1,600 outreach volunteers (for information dissemination only) and 1,000 community leaders (for both information dissemination and identification) were involved (UNHCR Pakistan, 2020b).

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[28] Ehsaas Emergency Cash – English brief

6.2   Beneficiary registration, verification, and enrolment

6.2.1   EEC Programme

Existing Ehsaas Kafaalat beneficiaries were automatically registered and notified about the additional emergency cash disbursement (World Bank Group, 2020). All remaining beneficiaries were expected to nominate themselves through one of the SMS, web-based, or district registration services discussed in this sub-section. The registration and verification process, and expected outcomes against each method of registration, are summarised in the table below.

Table 5:   Summary of EEC application, registration, and verification process

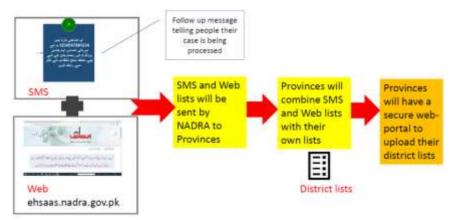| Cat.	Application	Registration	Intended verification	Intended outcomes
II	SMS service	Applicants to send CNIC number to four-digit short-code number 8171 The same mobile number could be used to check eligibility against multiple applicants, done to accommodate individuals who may not own a mobile phone	• Checks run against each applicant's CNIC number: checking for CNIC validity, individual, and wealth profiling (exclusion criteria), family duplication, and poverty score cut-off	• Applicants receive a text message with one of three outcomes: eligible, ineligible, or asked to contact their respective district administration
II	EEC web portal	Applicants to enter and submit their CNIC numbers to register		
III and IIIA	District authorities	Applicants meant to register through district administration via in-person screening or online registration on Ehsaas web portal	• Same checks run as those against Category II above • Additional checks run against each applicant's CNIC number: wealth profiling-based on telephonic data	• Applications receive a message with one of two outcomes: eligible or ineligible
IV	Prime Minister's labour web portal[29]	Applicants to enter and submit their CNIC number, mobile phone number, and name of mobile operator to register Applicants fill out a second more detailed form regarding their occupation, monthly income, and residence through drop-down menus	• Same checks run as those against Category III above • Additional checks run against each applicant: self-reported monthly income	• Applicants receive a message with one of two outcomes: eligible or ineligible

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[29] These links were suspended as at the time of publication of this report.

The registration process started immediately after the launch of the programme in April and continued until the end of that month. Once an applicant was registered, subsequent information about eligibility or payment was communicated through text messages. According to one key informant, verification was done in real time, such that the response message on eligibility was received within a few minutes of generating an application. Annex D**Annex C** presents the detailed data analytics process flows for verification.

However, district-led registration did not take place as planned for most districts. The District Commissioner's Office was meant to identify potentially eligible beneficiaries based on their assessment of those who chose to opt into the programme at the district level.[30] They were also meant to verify NADRA's list of applicants. This was a list composed entirely of individuals who did not fit the eligibility criteria under Category II. See the process outlined in Figure 2 below. In practice, most district authorities returned NADRA's list without changes. These data were then verified against the eligibility criteria against this category.

When talking about the challenges of district registration, some key informants explained that district authorities did not possess the spare capacity or manpower to undertake registration at such a high volume,[31] while others said that the risk of COVID-19 transmission rendered district enrolment infeasible.

Figure 2:   District registration process

Source: EEC Programme document.

Data management and analytics

Verification was performed by running targeting checks and filters against several databases, as presented below in Table 6.

Table 6:   List of databases against targeting criteria

Criteria	Category	Database and ownership
Inclusion criteria		

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[30] The research team does not have access to any selection guidelines shared with the District Commissioner's Office, if developed.

[31] For the District Commissioner, response activities are an additional task beyond his/her regular mandate, with no additional staffing support provided through the government. The BISP Tehsil Offices often have very small teams, with three to four members for an entire Tehsil (which contains multiple districts).

Poverty scorecard	I, II, III, and V	NSER from BISP
Wealth profiling-based on telephone bills	III and IV	Billing data from Pakistan Telecommunication Authority
CNIC (valid or expired)	All	Family details linked to CNIC from NADRA
Exclusion criteria		
International travel	All	Border management data from Federal Investigation Agency
Government employment	All	Payroll data from Accountant General of Pakistan Revenue (AGPR)
Income levels above PKR 50,000 (£228)	All	Taxpayers data from Federal Bureau of Revenue
Expensive processing of CNIC or passport	All	Processing fees data from NADRA
Monthly telephone bills over six months exceeding PKR 1,000 (£5)	All	Billing data from Pakistan Telecommunication Authority

NADRA conducted most of the data analytics for the EEC Programme, including technical integration of databases required for running targeting criteria, co-developing and running wealth profiling analytics, back-end processing of data (including removal of family duplication), setting up the data infrastructure, and establishment of SMS and web-based registration portals.

NADRA does not own much of the data it collects and stores. To use data, it must obtain permission to access data stored at NADRA or with other entities. Acquisition of data can prove to be difficult and time-consuming, particularly during an emergency or a shock. However, in the case of the EEC Programme, there were limited data acquisition problems, with a number of factors at play. First, NADRA had recently developed and run exclusion criteria on Kafaalat beneficiaries, meaning NADRA had access to some of the databases needed to run the exclusion criteria across the EEC categories (see Table 6). Secondly, BISP obtained approval for data acquisition from the Cabinet, which may also have resulted in faster processes.[32] BISP and NADRA may also have faced less resistance and delays in obtaining access to new databases because the programme was able to leverage support from the country's senior leadership.

Moreover, the management and analysis of large and diverse databases is particularly challenging during an emergency response. The databases used for the EEC needed to be aggregated and compared manually by analysts (Ahmad and Seyfert, 2020). This was compounded by the fact that verification protocols and procedures were developed during the response, sometimes in tandem with the data analysis, which increased the magnitude of the task. Several key informants interviewed for this study suggested that procedures and protocols should be prepared in advance of shocks to allow smoother processing.

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[32] Non-disclosure agreements were signed for data that were acquired.

Ultimately, the civil registration database maintained by NADRA proved to be crucial in running the verification process (World Bank Group, 2020). This is because the unique CNIC number enabled cross-verification of databases (Nishtar, 2020a) and data on family linkages allowed for verification across family members, and the selection of one beneficiary per family. NADRA's involvement in previous disaster responses allowed the agency to learn from past experiences (Ahmad and Seyfert, 2020).

6.2.2   UNHCR Cash Assistance Programme for Refugee Families

The GoP-maintained data on refugees and asylum-seekers could not be used for targeting because they contain only basic information on socioeconomic conditions and are not up to date.

Community leaders played a key role in the registration and enrolment process for eligible beneficiaries. As per UNHCR guidelines, they conducted profiling exercises in their respective communities and prepared a list of households that met the vulnerability criteria. They shared these data with UNHCR, which reviewed the lists and compiled a master database of all eligible refugee households. UNHCR also cross-checked their details in other available databases (such as that of smaller databases maintained with the UNHCR or the limited information available with NADRA), and ran checks to remove duplicate entries. UNHCR and its partners conducted multiple verification steps, including interviews with a number of randomly selected potential beneficiaries from the list submitted by each community leader (UNHCR Pakistan, 2020b).

6.3   Payment and delivery systems

6.3.1   EEC Programme

The BISP payment mechanism was replicated and scaled up for the EEC Programme. BISP makes payments to beneficiaries through the biometric verification system (BVS) via two commercial banks,[33] selected through a competitive bidding process. This payment system, first deployed in 2019, combines a Limited Mandate Account (LMA) with a savings account.[34]

The EEC Programme also used BVS to process payments through BISP's partner banks. Payments were made through banking platforms, including biometrically-enabled ATMs, retail outlets, and temporarily established payment sites. Each beneficiary had an LMA through which payment could be withdrawn (Nishtar, 2020a). Unlike BISP, the EEC did not have the savings account option. The following paragraphs describe the EEC payment process in more detail.

Once enrolment was complete, EEC beneficiaries' CNIC details were sent to partner banks. CNIC details passed through due diligence checks under the 'Know Your Customer'

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[33] Bank Alfalah and Habib Bank Limited.
[34] BISP beneficiaries have the choice to ask the concerned bank to open a savings account on their behalf, to which their cash can be transferred immediately upon disbursement.

procedures, and were cross-referenced with various lists of banned individuals (Anti-Money Laundering, Financial Action Task Force, United Nations) (Nishtar, 2020a).

Box 3:   Reasons for selecting payment method

The GoP cited the following as the key reasons for selecting the partner bank-based payment mechanism (as opposed to others, such as mobile payments):

1) The existing BISP payment mechanism was preferred in view of the urgency of implementation and the potential to roll out quickly.

2) The overall ecosystem in Pakistan, especially in the communities where most beneficiaries reside, is cash-based, which means that retail shops in these areas may not have the capacity to process digital payments (Nishtar, 2020b).

3) Lack of awareness and low levels of financial literacy among the most vulnerable segments of the population mean that other digital payment mechanisms may be more challenging to implement (Nishtar, 2020a).**[35]**

4) The most vulnerable segments of the population do not necessarily own a mobile phone which is a prerequisite for mobile wallets (Nishtar, 2020b). Moreover, it would have also required the sim mobile to be registered in the name and under the CNIC of the EEC recipient (Nishtar, 2020a), which is not always the case.

Once cleared, eligible beneficiaries were sent text messages with instructions to collect their transfer. The disbursement process was staggered to reduce the load at payment sites on a given day, to ensure adherence to COVID-19 safety protocols.

Temporarily established payment sites were the primary mode of disbursal: 2,270 payment sites were established with a total of 11,500 cash-out points. Payment site planning and logistics (including ensuring COVID-19 safety protocols) was the responsibility of provincial and district governments and their security apparatuses. Payment sites were established in schools and other public buildings to accommodate large numbers of people without compromising the social distancing protocols.

Insights from implementation

A few key informants noted that the regular payment disbursal for BISP was either unaffected or improved during the EEC disbursal. Kafaalat beneficiaries also indicated that payment services were better at EEC payment sites (OPM, 2020). This is potentially because the establishment of sites for payment disbursal with social distancing protocols and a staggered payment approach meant that fewer sites were overcrowded, which can be a problem in regular BISP payments at retail outlets (OPM, 2020). Moreover, EEC payment disbursement was supported by several government agencies, including district and provincial administrations, security apparatuses, and NADRA, as well as private sector players, including partner banks. This additional support and human resources enabled BISP to better manage payment.

Nevertheless, payment disbursement was challenging because of the scale of implementation, the limited timeframe, and the closure of markets, banks, and retailers

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[35] During the EEC disbursement, mobile wallet testing was done for Kafaalat beneficiaries in at least one site towards the end of August, but there are no further details on how it was received.

during lockdown (Nishtar, 2020c). Federal and provincial governments sought to address these challenges. Retailers were incentivised to continue to provide services through various measures, including waiving of federal government charges on biometric verification, removal of 24% advance income tax on commission, and three of four provincial governments' waiving of 14 to 16% general sales tax on services (Nishtar, 2020a).

Another challenge faced by the BVS payment system is its reliance on internet connectivity. If internet connectivity is low, then the point of sale agents cannot perform their function, or are slowed down significantly (Ahmad and Seyfert, 2020). This is particularly problematic in remote communities with poor internet infrastructure and connectivity. Some EEC beneficiaries in rural areas were required to wait for hours before internet connection was restored (OPM, 2020).

Some key stakeholders criticised the EEC for being less advanced than other government-to-person (G2P) payment methods available and deployed during previous emergencies.[36] Payment through LMA is seen as limiting due to its non-transactional nature, which does not allow additional functions beyond withdrawal of cash. However, some key stakeholders posit that the simple nature of the LMA was more appropriate in this case, given low financial literacy levels and mobile wallets penetration.

Concerns were also raised in light of social distancing measures. For example, biometric verification required beneficiaries to touch finger-print scanners, a potential source of transmission. A potentially viable alternative could have been the use of facial recognition verification that NADRA's 'multi-modal citizen identification system' could support (Malik and Gelb, 2020).

6.3.2 UNHCR Cash Assistance Programme for Refugee Families

UNHCR has little to no experience of delivering cash in Pakistan so it was unable to rely on a previously established payment mechanism. Payment was delivered in partnership with Pakistan Post Office. Payment was made through Urgent Money Orders disbursed through the post office branches closest to the beneficiaries (UNHCR Pakistan, 2020b).

Beneficiaries received text messages when their entitlement was ready to be collected. Beneficiaries without access to mobile phones were notified through their relevant community leaders. Money was collected by visiting the assigned post office branch and presenting official identification. Beneficiaries were granted one month from the issuance of the money order to collect their benefit (UNHCR Pakistan, 2020b).

UNHCR had considered delivering money through banks (similar to the EEC Programme) or UNHCR's existing network of local partners; however, the following challenges were deemed to be associated with these two modalities:

- A majority of refugees and asylum-seekers do not have bank accounts in Pakistan. Until 2019, access to financial institutions required possession of a CNIC card, which is not issued to refugees and asylum-seekers (Gul, 2019). Relaxations in identification

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[36] For example, prepaid cards used during floods and military operations (for IDPs) previously.

requirements for refugees in the last year have not resulted in widespread opening of bank accounts.

- Partner NGO staff had limited access to refugee communities because transportation across longer distances was suspended due to the nationwide lockdown. It would have been difficult for NGOs to manage the cash transfers under these circumstances, especially in remote areas.

Postal services were considered essential and thus were exempt from lockdown-related travel restrictions. Despite a reduction in staffing capacity due to COVID-19 safety protocols, post offices were therefore considered the more feasible and reliable delivery option.

Results from a post-distribution survey conducted by UNHCR showed that 78% of beneficiaries report not having experienced any issues accessing their money at payment points. Among those who reported having experienced problems, these were related to long distances between post offices and more remote areas where some beneficiaries live and to safety concerns at payment points (due to both COVID-19 and theft).

6.4 Complaints, appeals, and case management

6.4.1 EEC Programme

The EEC Programme lacked a systemic central complaint, appeal, and case management system. It could not rely on BISP's Case Management System or Payment Case Management System since these are linked to old systems of registration and payment and were inactive at the time of the EEC Programme.

In practice, complaints and grievances were registered manually at payment sites or BISP Tehsil Offices, and were meant to be addressed by local authorities and Tehsil Office staff. However, some of the more prevalent complaints were addressed centrally. There was no system to determine whether a complaint would be addressed locally or centrally.

As an example, issues of embezzlement raised at payment sites were not necessarily reported back to the BISP's head office. Instead, they were meant to be addressed on-site by local authorities. Standard operating procedures were established as part of efforts to address issues. Nevertheless, this system could result in variance in the ways in which issues were resolved. One key informant indicated that the payment site model may have had fewer issues of embezzlement than the regular BISP payment transfer due to the presence of local authorities and security apparatus. However, we do not have sufficient information to verify this claim.

Some commonly occurring complaints that came to light were addressed by the head office. As an example, BISP's head office became aware of, and worked to address, the issue of failed biometric verification (around 7% beneficiaries could not withdraw their payment for reasons such as having 'flat fingers' and poor fingerprints). The process put in place to resolve this required beneficiaries to confirm the issue with NADRA before the biometric check requirement could be removed allowing payment withdrawal through CNIC verification only.

Several key informants felt that the absence of a formal appeals system meant that applicants were not able to register grievances. This was particularly problematic for grievances regarding exclusion from the EEC. While the use of a rule-based data analytics system for registration and enrolment added to the transparency of the programme, it may have created room for error, resulting in the exclusion of eligible individuals. In the absence of an appeals system, such cases remained excluded from the programme.

Finally, the additional responsibility of undertaking grievance redressal may have been burdensome for local authorities and Tehsil Office staff. Tehsil Office staff reported being understaffed and overwhelmed with work during EEC implementation (Oxford Policy Management, 2020).

6.4.2   UNHCR Cash Assistance Programme for Refugee Families

UNHCR did not set up any special mechanism for complaints and appeals for the emergency cash transfer. However, prior to COVID, UNHCR had established telephone helplines (accessible in multiple foreign and local languages) to assist refugees with issues related to their status in Pakistan – such as registration as a refugee or asylum seeker, issuance of certificates, and matters related to arrest or detention. During the COVID-19 response, these helplines were leveraged to include questions, guidance, clarification, and complaints in relation to the cash transfer. UNHCR also increased the number of helplines and operators to respond to calls. UNHCR reports that the majority of the issues raised were related to problems experienced at payment points, particularly related to distances from remote communities and safety concerns (see previous section 6.3.2).

6.5   Monitoring and evaluation

6.5.1   EEC Programme

Monitoring and evaluation of the EEC Programme was conducted by the BISP monitoring and evaluation teams as per regular BISP monitoring, although key informants felt that staff levels were insufficient to conduct monitoring comprehensively. Unannounced spot checks were conducted by monitoring teams from the BISP Head Office and some members of the Tehsil Office, and the BISP Chairperson (Hussain, 2020). A formal evaluation of the programme has not yet been conducted.

6.5.2   UNHCR Cash Assistance Programme for Refugee Families

UNHCR, along with its partners, implemented a process for monitoring the cash distribution and identifying beneficiaries' challenges, including coordination between the post office, community leaders, and partners to address emerging issues (UNHCR Pakistan, 2020b).

UNHCR conducted a Rapid Protection Assessment which sought to interview 3% of total successful beneficiaries to understand any protection risks during the identification, distribution, or post-distribution stages of the exercise. The Rapid Protection Assessment also served as a one-to-one reconciliation for the financial closure of each tranche.

In addition, a more robust Post-Distribution Monitoring (PDM) took place through an independent party. The sample size of the PDM was 180 beneficiaries who were randomly

selected from a full list of all beneficiaries. According to UNHCR the objective of the PDM was "to evaluate the effectiveness of the assistance provided by UNHCR and its partners". It also evaluates "the adequacy of the cash grant provided as well as patterns in its use and seeks to identify challenges and constraints experienced, and refugees' feedback on any improvements required to implement similar assistance again in the future."

7 Assessment of the COVID-19 social protection response

This section presents an assessment of the COVID-19 social protection response through the EEC and UNHCR Cash Assistance programmes, in terms of adequacy, coverage, timeliness, comprehensiveness, and long-term implications.

7.1 Adequacy

The transfer value of PKR 12,000 (£55) adopted by both the EEC Programme and the UNHCR Cash Assistance programme is found to have been lower than lost income, the cost of basic needs, and routine expenditure. The amount was below the minimum daily wages set in the country and what many of beneficiaries earned prior to the lockdown (Human Rights Watch, 2020). The monthly transfer value is estimated to have covered 13% of routine expenditure (Ahmad and Seyfert, 2020) and 3.46% of the daily consumption for the poorest 40% of the population.[37]

However, most key informants recognised that the transfer was likely not designed to cover the full extent of the economic impact on affected households. Instead, it likely reflected the trade-off the government faced between accommodating beneficiaries and availability of fiscal space.

Our microsimulation results are presented below. Table 7 compares the annual value of the EEC categories of beneficiaries with the national poverty line and average consumption of the bottom 25% households. It shows that when their value is annualised, the transfers only covered a small percentage of the consumption needs of poor households.

Table 7: Social protection measures simulated

Measure	Total annual value (PKR)	% of annual national poverty line (household level)	% of annual consumption expenditure of bottom 25% households at baseline	
			Rural	**Urban**
EEC – Cat I (existing Ehsaas Kafaalat beneficiaries)	4,000	1%	2%	1%
EEC – Cat II (additional families identified from NSER)	12,000	3%	5%	4%
EEC – Cat III (additional families identified through provincial and district administrations)				
EEC – Cat IIIA (additional families from Punjab identified through district administrations)				

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[37] The World Development Indicators estimate the daily consumption per person among the poorest 40% of the population in Pakistan to be US$ 2.60 per day (Bourgault and O'Donnell, 2020).

EEC – Cat IV (labourers who suffered livelihood loss due to the pandemic)				
EEC – Cat V (eligible beneficiaries spilling over from Category II and III)				

Source: Authors, based on the microsimulation results using 2015/16 HIICS data.

To assess the adequacy of the EEC Programme we looked at the predicted additional needs of households falling into poverty and of those who were already poor at baseline that fell deeper into poverty. Specifically, we computed the average shortfall from the national poverty line for households falling into poverty because of the shock and the additional shortfall from the poverty line for households that were already poor at baseline but that fell deeper into poverty because of the shock. Table 8 shows that the poverty gap among the newly poor goes from 30% in the short-term scenario to 21% in the recovery one, while among households that were already poor at baseline the poverty gap widens by 30% in the short-term scenario and 14% in the recovery scenarios. In urban areas it is found that the increase in the poverty gap for those who were poor at baseline is not significantly lower than the poverty gap among those who became newly poor, indicating that households that were close to the poverty line at baseline were affected similarly to households that were already poor.

Table 8:   Average shortfall from the poverty line for individuals falling into poverty because of COVID-19 and additional shortfall for those falling deeper into poverty

Scenario	Newly poor			Poor at baseline		
	All	Rural	Urban	All	Rural	Urban
Short-term	30%	28%	33%	30%	28%	37%
Transition	28%	26%	31%	23%	22%	30%
Recovery	21%	19%	25%	14%	13%	17%

Source: Authors, based on the microsimulation results using 2015/16 HIICS data.

Next, we compare the annual monetary value of the average shortfall from the poverty line with the total annual value of the EEC Programme. The percentage of the annual shortfall covered by the transfers gives a measure of the generosity of each transfer and an estimate of the additional household needs that were not met by the response.

Table 9 looks at the worst impact scenario and shows that the EEC Categories II to V covered approximately 11% of the amount needed to bring households' consumption to its pre-shock level for both households that were not poor at baseline and for those that were already poor at baseline. The additional amount received by Category I beneficiaries only covered 4% of the amount needed to restore the pre-shock consumption level for those who became newly poor and those who were poor at baseline.

Table 9: **Percentage shortfall (additional shortfall) from the national poverty line for individuals falling into poverty (falling deeper into poverty) because of COVID-19 covered by the EEC Programme**

Measure	% of shortfall covered for newly poor	% of additional shortfall covered for those poor at baseline
EEC – Cat I (existing Ehsaas Kafaalat beneficiaries)	4%	4%
EEC – Cat II (additional families identified from NSER)		
EEC – Cat III (additional families identified through provincial and district administrations)		
EEC – Cat IIIA (additional families from Punjab identified through district administrations)	11%	11%
EEC – Cat IV (labourers who suffered livelihood loss due to the pandemic)		
EEC – Cat V (Eligible beneficiaries spilling over from Categories II and III)		

Source: Authors, based on the microsimulation results using 2015/16 HIICS data.

7.2 Coverage

7.2.1 EEC Programme

The EEC Programme was the largest cash transfer programme in Pakistan. As at 8 December 2020, a total of PKR 179 billion had been transferred to 14.8 million beneficiaries.[38] The following table presents the provincial breakdown of beneficiaries enrolled against those who had withdrawn the transfer, and amounts disbursed to banks against the amount withdrawn by beneficiaries.[39]

Table 10: **Enrolment and disbursement status by province**

Region	Beneficiaries enrolled	Beneficiaries withdrawn	Amount disbursed to bank (PKR million)	Amount withdrawn (PKR million)
Punjab	7,704,969	6,617,135	92,459	80,000
Sindh	504,4379	4,589,762	60,532	55,306
KP	2,909,532	2,506,731	34,914	30,393
Balochistan	799,447	701,443	9,593	8,513
AJK	272,608	231,822	3,271	2,827
Gilgit Baltistan	124,533	110,497	1,494	1,347
Islamabad	79,374	69,081	952	833

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[38] EEC Programme Portal: www.pass.gov.pk/ecs/uct_all.html
[39] EEC Programme Portal: www.pass.gov.pk/ecs/uct_all.html

Several key informants consulted for this study commended the GoP for deploying a large-scale response under novel and challenging circumstances. As per GoP estimates, the EEC covered approximately half of the country's population (Nishtar, 2020). According to the World Bank, Pakistan saw a 36.54% increase in the coverage of cash transfers after COVID-19, from 18.14% in 2017 to 54.69% in 2020. This is higher than the global average increase of 14% (Gentilini *et al.*, 2020).

In Table 11 we look at the estimated coverage of eligible households and coverage of the overall household population of the programme according to our microsimulation using 2015/16 HIICs data. Altogether, the EEC covered 60% of households in the provinces covered by 2015/16 HIICS data[40], and 72% of the households eligible for one or more programme.

The Category I top-up transfer covered all of the eligible population, which was constituted by households already receiving benefits under the Ehsaas Kafaalat programme. Category I households represented 18% of households in the provinces covered by 2015/16 HIICS data. All the other categories were mutually exclusive and covered a partially overlapping population of households, due to similarity of the eligibility criteria. Overall, EEC Categories II to V covered 64% of the households eligible for any of them, and a percentage of households in the provinces covered by 2015/16 HIICS that ranged from 2% for the Punjab-limited programme (Category IIIA) to 14% for Category II.

Table 11: Proposed caseload and estimated coverage of eligible and overall population (% of households)

Category	Coverage of eligible population[a]	Coverage of overall households[b]
EEC – Cat I (existing Ehsaas Kafaalat beneficiaries)	100%	18%
EEC – Cat II (additional families identified from NSER)	64%	14%
EEC – Cat III (additional families identified through provincial and district administrations)		12%
EEC – Cat IIIa (additional families from Punjab identified through district administrations)		2%
EEC – Cat IV (labourers who suffered livelihood loss due to the pandemic)		4%
EEC – Cat V (eligible beneficiaries spilling over from Categories II and III)		9%
All EEC	72%	60%

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[40] Population coverage of the programme would be 47% using total population figures from the 2017 Population Census and average household size of 6.6 as estimated in the 2017/2018 Pakistan Demographic health survey.

Source: Authors, based on the microsimulation results using 2015/2016 HIICS data; data with population size updated based on population growth.

Note: [a] Coverage is computed as caseload over the number of households identified as eligible according to the programme targeting criteria as replicated in the data. [b] Population-level coverage includes only individuals living in Punjab, Islamabad, KP, Sindh, and Balochistan, because only these provinces are covered by the 2015/16 HIICS.

Groups at risk of exclusion

Several vulnerable groups were at risk of being left out of the response due to their inability to access the formal systems deployed to identify, register, verify, and enrol beneficiaries.

Groups most at risk of exclusion were from more disadvantaged **households living in remote communities**, with low access to information and communications technologies. Information sources, such as television and newspapers, were needed to be informed about the programme and registration process. Access to mobile phones or an internet connection were crucial for registering with the EEC.[41] The most disadvantaged communities, such as, nomads, may not have been able to apply, due to a lack of knowledge or means of applying.

Additionally, more disadvantaged households were more likely to be excluded due to non-possession of CNICs. In 2017, less than half – or 45% (96 of the 210 million) – of the citizens of Pakistan possessed a valid CNIC (Watson *et al.*, 2017). Even after waiving the conditionality of possessing a valid CNIC, the EEC required the possession of a form of CNIC, either valid or expired, for the purpose of identification and data analytics. The most disadvantaged groups that had never possessed a CNIC are therefore likely to have been excluded from the programme.

Box 4:   Coverage of women in the EEC Programme

Approximately 61% of the disbursements were made to women. This was in line with the government's vision of ensuring that the programme was aligned with the economic needs of women (especially those belonging to poor households) (Imran, 2020).

However, women remained at a disproportionate risk of exclusion, owing to the condition of possessing a CNIC and reliance on mobile phones. Women, especially from rural areas, are less likely to have been able to fulfil either requirement. In fact, only 25% of women (compared to 68% of men) in poverty have access to both a mobile phone and a CNIC.

Women are also more likely to have been excluded due to low digital literacy. Even with access to mobile phones, women's ability to perform functions such as registering was limited. On average, women living in poverty rated themselves as having 'a little ability' (1.89 on a scale of one to five, with five meaning having a complete understanding) to send and receive text messages. Men in poverty ranked themselves at 2.84 ('some ability').

Source: Bourgault and O'Donnell (2020).

Reliance on NSER

The NSER is the main dataset that was used for the identification of a majority of beneficiaries under Categories I, II, III, and V. The primary advantage of using the NSER was that it contains socioeconomic data on a large proportion of the population. However,

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[41] The Pakistan Telecommunication Authority reported 79.6% mobile penetration and 40.9% broadband penetration in 2020 in Pakistan.

there are several ways in which the use of NSER could have created inclusion and exclusion errors in the EEC Programme. We discuss these here.

First, the NSER is a static and outdated social registry that was last fully updated in 2010/11. Much of the information in the database, including for people falling above the poverty score cut-off, has not been verified or updated since 2010/11. Over time, the data and poverty scores have become increasingly inaccurate. The partially complete NSER survey 2019/20 is expected to form a more dynamic social registry and may address some of these concerns (Watson *et al.*, 2017).

Second, while the NSER survey covers 85% of the population (27 million households), it may have left out some of the more disadvantaged households belonging to remote or nomadic communities. Thus, these communities have a higher likelihood of having been excluded from the EEC Programme as well.

Finally, the NSER is founded on a PMT-based poverty scorecard, based primarily on household assets; vulnerability is more nuanced and may not be based solely on assets (Watson *et al.*, 2017). The new PMT formula is based on a revised set of indicators which may be more comprehensive and relevant in identifying vulnerable households.

Given the problems with the NSER, a United Nations Development Programme (UNDP) study claimed BISP has exclusion errors of 73%, meaning that around three-quarters of the intended beneficiaries are excluded, in the absence of other mechanisms of targeting (UNDP, 2020: 12). Beneficiaries from outside BISP and the NSER were included in the EEC particularly to address this limitation of BISP and the NSER.
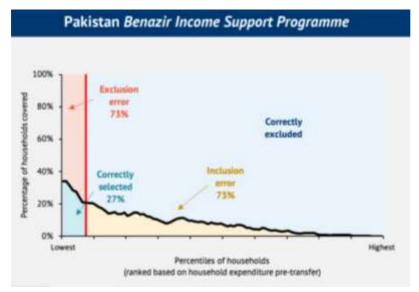
Figure 3:   Inclusion and exclusion error estimates

Source: UNDP (2020)

While the expansion of BISP and the mechanisms of the EEC Programme may have led to reduced exclusion errors, the same report claims that around 45% of the intended recipients may still have been excluded from receiving support (UNDP, 2020).

Concerns regarding the exclusion criteria

Reliance on a rule-based data analytic system to determine eligibility and a BVS for payment helped ensure transparency of the EEC Programme.

However, the wealth profiling introduced through the exclusion criteria is expected to have produced targeting errors. Several stakeholders pointed out that exclusion criteria were not comprehensive and may have led to the exclusion of poor and vulnerable groups in need of assistance, or inclusion of those not in need of assistance. Some examples are given below:

- Government employees and their spouses were to be excluded from the EEC Programme. Government employment status was identified by checking the government's payroll data from the AGPR against each CNIC. However, the AGPR is not a comprehensive database for all government departments. Data on employment for several departments do not exist within the AGPR; thus, government employees from these departments may have been included in the programme.

- Some key informants felt that engaging in international travel was an inappropriate filter, particularly because it restricted blue-collar migrant workers from accessing the programme. These migrant workers often belong to poor and vulnerable groups and only undertake international travel for work. Many such migrant workers have faced job loss due the economic slowdown across the globe.[42]

- Several key informants felt that one-time expenses, such as mobile phone bills and expensive processing of passports or CNICs, were not appropriate filters for exclusion because they could be subsidised by someone else or could be a result of emergency situations. Moreover, mobile phone number ownership and registration can often vary, which means that one might not be responsible for incurring the monthly expense against a mobile number registered against one's name.

7.2.2 UNHCR Cash Assistance Programme for Refugee Families

UNHCR Cash Assistance Programme for Afghan refugees provided support to 75,000 households. Due to high variability in the size of Afghan families (between five and eight members, on average), it is difficult to determine the exact number of people that this programme was able to reach.

UNHCR acknowledges that lack of up-to-date data on socio-economic status of refugees was the biggest challenge in the implementation of the programme. As a result, there may have been some inclusion and exclusion errors.

Key informants report that in order to address this challenge, UNHCR and the Government of Pakistan will initiate a new country-wide Document Renewal & Information Verification Exercise (DRIVE) aiming to update and increase the accuracy and integrity of the existing population data including vulnerability of registered Afghan refugees.
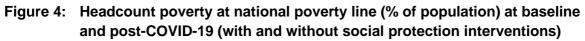
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[42] A group of blue-collar migrants formally submitted a case to the GoP requesting inclusion in the EEC Programme.
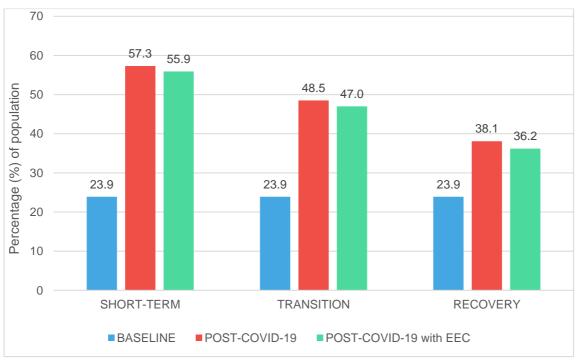
7.3   Comprehensiveness

7.3.1   EEC Programme

In its COVID-19 response, Pakistan has generally not made policy commitments or allocated funding relating to issues such as gender-based violence, sexual and reproductive health, childcare, women's safety, or livelihood or economic conditions (Hillier *et al.*, 2020). However, other initiatives under the Ehsaas umbrella, such as the provision of groceries and shelter, have proven to be complementary for poor and vulnerable people (Farooq *et al.*, 2020).

As part of our microsimulation, we estimated the impact of the EEC Programme on reducing post-COVID-19 monetary poverty. Figure 4 highlights the headcount poverty at national poverty line at the baseline and post-COVID-19, with and without the intervention. The red bar shows the estimated poverty levels following COVID-19 without the social assistance transfers through the EEC Programme, the green bar shows the impact of COVID-19 with the transfers. The blue bar indicates a situation without COVID-19. It shows that the EEC Programme is likely to reduce the national poverty level by around 1.5 percentage points.

Figure 4:   Headcount poverty at national poverty line (% of population) at baseline and post-COVID-19 (with and without social protection interventions)

Source: Authors, based on the microsimulation results using 2015/16 HIICS data.

7.3.2   UNHCR Cash Assistance Programme for Refugee Families

The criteria laid out in the seven categories of eligible beneficiaries for the UNHCR Cash Assistance Programme were curated to cover vulnerable groups within the refugee and asylum-seeking population. This included at-risk women, children, disabled people, the elderly, single-parent households, the medically sick, and daily wagers who lost their income

during the pandemic. However, we did not find any information about any additional interventions to address new social risks of refugee populations that were systematically layered onto the cash response.

7.4 Timeliness

7.4.1 EEC Programme

The EEC has been acknowledged internationally and nationally as being rolled out in a timely manner. The GoP launched the EEC Programme on 1 April 2020, within the first 10 days of the nationwide lockdown. The programme expanded to include additional categories of beneficiaries on 18 May 2020. The registration process started immediately after the launch and continued until the end of April. Within a week of the announcement, 46 million requests had been processed and 7.3 million were enrolled (Khan, A.J., 2020). Payment disbursement followed immediately afterwards.

The programme was designed to cover the immediate subsistence needs of poor and vulnerable households that arose due to income loss suffered as a result of the lockdown. A rapid response was required to meet this objective. The pace for the response was in line with the objective of the programme, since beneficiaries started receiving cash disbursements shortly after the lockdown was imposed.

The payment process was slower for new beneficiaries. This was partly because it was difficult to reach beneficiaries through messages, either due to non-delivery of SMS messages or difficulty in tracing beneficiaries who had registered using someone else's number. Repeat messages were sent and a portal was established to allow people to check their eligibility (Nishtar, 2020).

Key informants for this case study postulated that the reason a timely response was possible was due to the use of BISP's existing registration, data analytics, and payment systems that could be rapidly scaled up in response to the pandemic. Some key informants felt that technical support from donors, particularly the FCDO and the World Bank, was crucial in helping BISP set up some of these systems before the response was required.

 Some of these systems are the following:

- BISP developed a demand-driven self-registration system in 2019. BISP was able to leverage the SMS and web-based registration service developed as part of this for the EEC Programme. A few key informants explained that registration at the district level would have been more time-consuming and may have carried greater risk of transmission of the virus.
- BISP, alongside NADRA, deployed the data analytics mechanism with wealth profiling-based exclusion criteria in 2019 to update the list of Kafaalat beneficiaries. The same was used for the exclusion criteria for all categories of EEC beneficiaries. Previous deployment of this mechanism meant that the data required for running the exclusion criteria were prepared and available.

- BISP deployed a new BVS for payments, in partnership with two competitively procured commercial banks, in 2019. The same systems were scaled up immediately for the EEC Programme.

Some key informants shared that the pressure to deliver quickly put a greater strain on government employees and exposed them to a higher risk of infection.

7.4.2 UNHCR Cash Assistance Programme for Refugee Families

UNHCR was quick to design a Cash Assistance Programme for Refugee Families soon after the EEC Programme was announced. The Cash Assistance Programme was designed keeping in consideration the specific challenges and constraints of refugees and asylum-seekers, involved a community-based beneficiary registration process, and required establishing new partnerships for the delivery of the benefit. Despite these arrangements, the disbursement started in May, when the lockdown was still in place. Therefore, the response can be considered to have been fairly timely.

The cash disbursement was carried out in two phases. In the first phase, more than 32,000 households were assisted. The remaining 43,000 households were assisted in the second phase, which started on 21 September 2020 (UNHCR Asia and the Pacific, 2020).

7.5 Long-term implications

7.5.1 EEC Programme

The social protection response to COVID-19 in Pakistan employed a 'whole-of-government' approach, with agencies at all levels of government undertaking key implementation responsibilities. While BISP was responsible for the implementation of the EEC Programme, the steer and direction came from senior government officials through the NCC and NCOC. The NCC and NCOC represented a united front, with membership from key authority figures across the country, including the Prime Minister, Chief of Army Staff, Chief Ministers of provinces, and key government agencies. This may have enabled alignment of different agencies' activities towards the same agenda and may have contributed to the effective and timely delivery of this large-scale cash response.

However, not all emergency response programmes will receive the same kind of support at all levels of the government. Therefore, there are implications for policymakers in terms of the steps required to improve system resilience and response in advance of subsequent shocks to ensure effective delivery of future emergency programmes. These are explored in the next and final section of this report.

The current experience has given the government confidence to be more responsive, data-driven, experimental and ambitious in the design and implementation of wide-scale safety net programmes. The government believes that new forms of coordination across multiple stakeholders, underlying commitment to accountability and a whole-of-government approach, have the potential to transform policymaking beyond COVID-19 as well (Nishtar, 2020d).

7.5.2   UNHCR Cash Assistance Programme for Refugee Families

The experience of undertaking an emergency cash assistance programme for refugees highlighted the importance of having a better data regime on refugees and asylum-seekers readily available to government and partner agencies (if needed). UNHCR is therefore initiating a large-scale verification exercise to update these databases.

Based on its current experience, UNHCR is advocating that the government expand its social protection programmes (such as Kafaalat) to vulnerable refugees and asylum-seekers residing in the country. Although refugees and asylum-seekers are not issued CNICs, they do hold Proof of Registration (PoR) cards issued by NADRA, which can be used as an alternative mode of identification, enrolment, and verification.

8 Conclusions and recommendations

This case study has provided a rapid assessment of the social protection responses undertaken by the GoP, other humanitarian agencies, and development partners to mitigate the socioeconomic impacts of COVID-19 in Pakistan.

The first case of COVID-19 in Pakistan was recorded on 26 February 2020. As the cases of COVID-19 started rising, the country went into lockdown. As a result of the pandemic and the associated restrictions, Pakistan recorded a 0.4% decline in the real GDP growth rate during the 2019/20 financial year, against the previously projected growth of 3.3%.

Estimates from our microsimulation suggest a significant increase in headcount poverty in Pakistan due to COVID-19. In the short term, we estimate an increase in the poverty rate of over 35 percentage points in urban areas and of 32 percentage points in rural areas.

To mitigate some of the economic impacts of the COVID-19 crisis, the Prime Minister of Pakistan announced a multi-sectoral COVID-19 fiscal stimulus package of PKR 1.2 trillion (£5.5 billion) at the end of March 2020. The government and other partner agencies rapidly designed and introduced a number of social assistance programmes to help cushion the most vulnerable households against the economic shock arising from the pandemic.

The focus of this report has been on two cash assistance COVID-19 response programmes: the EEC Programme and UNHCR's Cash Assistance Programme for Refugee Families. The following paragraphs set out some of the key highlights of these two responses, as documented and assessed in our study.

8.1 Conclusions

The EEC Programme, and the social protection response in Pakistan more widely, has been acknowledged internationally and nationally as being rolled out in a timely and effective manner. The GoP launched the EEC Programme on 1 April 2020, within the first 10 days of the nationwide lockdown. Within a week of the announcement, over 7.3 million people were enrolled and payment disbursement followed immediately afterwards.

The ownership by the government greatly assisted the timeliness and effectiveness of the implementation of the response. The Federal Government, including the Prime Minister, showed leadership on the EEC, which was underpinned by a 'whole-of-government' approach to implementing the programme across the country. The NCC and NCOC were established to coordinate the responses between the Federal Government and the provincial governments, and across different departments. The response was primarily government-funded with bilateral and multi-lateral agencies, donors and development partners providing technical and financial support.

Leveraging technology for the delivery of the response not only ensured greater coverage but also facilitated the timeliness of the response. All the major steps in the EEC implementation benefited immensely from the systems that relied on technology. These included seeking support from telecom service providers to connect with the potential beneficiaries through SMS messages; running advertisements on television, radio, and print

media; conducting background checks using multiple databases by NADRA; and distributing money after biometric verification.

While the use of technology increased the efficiency and timeliness of the response, it may also have put some of the most vulnerable groups at risk of exclusion. While approximately 61% of the EEC disbursements were made to women, women from rural areas are among the groups least likely to have a CNIC or access to information and communication technology, e.g. mobile phones, which were crucial for registration and enrolment (25% of women, compared with 68% of men, have access). The strong reliance on modern information technologies also meant that messaging is less likely to have reached disadvantaged households living in remote or nomadic communities, who have limited access to such technologies. These groups are also less likely to be included in the social registry.

The social protection responses to COVID-19 re-emphasised the need for an updated and dynamic registry/databases for shock-responsive preparedness. BISP was able to roll out the emergency cash transfer in a very short time span because there were existing systems to build on. However, in the absence of an updated NSER, it had to develop other mechanisms for enrolment and verification that involved an SMS service and website portal, which took some time and effort. BISP and NADRA's EEC experience of on-demand data updating could be utilised to implement similar mechanisms in routine services or for future shocks. Similarly, UNHCR also struggled with the quality of the limited data available on the socioeconomic conditions of refugees and asylum-seekers in Pakistan, and relied heavily on information from community leaders.

An assessment of the effectiveness of the response finds that Pakistan's social protection response achieved widespread coverage. The EEC, which was by far the largest programme in the response, reached 14.8 million families. This constitutes 72% of the eligible population (according to our microsimulations) and around 47% of Pakistan's population based on figures from the latest population census.

However, the one-off transfer value of PKR 12,000 (£55) applied by both the EEC and UNHCR Cash Assistance Programme for Refugees was lower than lost income, the cost of basic needs, and routine expenditure. The transfer value is estimated to have covered 13% of routine expenditure and 3.46% of the daily consumption for the poorest 40% of the population. Key stakeholders report that the transfer value was decided on the basis of the available fiscal space, rather than an assessment of the cost of basic needs.

As a result, Pakistan's social protection response only offset a small amount of the economic shock from COVID-19. The headcount poverty rate is estimated to increase by 33 percentage points in the short run, and by 14 percentage points in the recovery phase, due to COVID-19. At the same time, the EEC Programme, the flagship of Pakistan's social protection response, is likely to have reduced the headcount poverty rate by around 1.5 percentage points. These results suggest that while the coverage of the response was impressive, the low benefit value ultimately meant that the response had a more limited impact on poverty.

8.2   Implications for policy

A number of policy implications stem from this research, which could further strengthen the shock-responsiveness of the social protection sector in Pakistan.

The GoP has focused primarily on unconditional cash transfers in the past when responding to shocks, including the EEC Programme. This may partly be because BISP is only (and highly) experienced in cash transfers. Moving forward, **more holistic and comprehensive responses should be planned** that go beyond cash transfers. Many emergency situations, such as the COVID-19 pandemic, are found to exacerbate social risks, such as gender-based violence, and to negatively affect the access to basic services for vulnerable groups, such as people with disabilities or the elderly. To address such needs, the government may consider investing further in strategies and systems to link vulnerable groups of people to social services that might address other emergent needs, such as health needs or psychosocial support, especially for vulnerable women and girls facing gender-based violence, for example.

Coordination of the EEC Programme was unique due to being centred around the NCC and NCOC, which were constituted to lead and manage the overall response to COVID-19. Directives from the NCC and NCOC helped push forward the programme and ensure collaboration among government agencies. However, the response through the Ehsaas Programme also highlighted the underlying institutional reform challenges facing the wider social protection system in Pakistan. The devolution of social protection in Pakistan remains incomplete and **a significant reform effort has to be undertaken to clarify provincial mandates on social protection, disaster risk management and shock-responsive social protection. This needs to be accompanied by associated efforts to strengthen administrative capacity at the provincial level.**

Despite budget constraints, **transfer values should be clearly linked to a rationale relating to meeting households' needs and maintaining resilience during the shock**, even if programmes are not meant to cover the full extent of household needs.

Over the years, NADRA has provided identity verification services across most shocks in Pakistan. Given how crucial possession of a CNIC is to accessing government support during a shock, **NADRA should proactively extend coverage to the most disadvantaged, marginalised, and remote communities**.

Information dissemination is crucial for ensuring that the most disadvantaged communities are not systematically left out of programmes. The GoP should **utilise a wide variety of communications channels to ensure that the most disadvantaged communities have access to information regarding programmes.** This is particularly true for people without access to modern information and communication technologies, such as those living in remote areas, women (especially those who live without a male relative), refugees, and people with low levels of literacy. The development of explicit strategies to reach such groups, and the use of traditional community structures in addition to more modern communication channels, can help to drive down the exclusion of such groups. Moreover, there is a need to communicate clear and consistent messaging on the enrolment methods and eligibility criteria.

The EEC Programme showed that there is a need to think more deeply about the targeting criteria, to ensure those in need are not left out of the government's support. Through a consultative process with key stakeholders in social protection and DRM, the GoP should **develop a set of contingency protocols before shocks occur. Such protocols should clearly differentiate between different types of shocks and the roles and responsibilities of the federal government versus the regional governments**. This may result in a more comprehensive targeting strategy that leaves fewer people behind, and may also be easier to operationalise during implementation.

The EEC Programme has proven that Pakistan has the expertise to roll out an innovative and complex data analytics approach to targeting and verification. However, reliance on fragmented, outdated, and sometimes inaccurate databases may result in the exclusion of families in need of programmes. Moreover, the integration of databases during the shock proved to be challenging. The GoP should **develop a clear regulatory framework to guide the use of data and citizens' right to privacy and standing data-sharing agreements and frameworks are required to ensure timely response to shocks**.

The EEC response has highlighted the need to strengthen the mechanism for registering and resolving citizens' feedback during a shock. Moving forward, the GoP should **develop a robust and systematic appeals and grievance mechanism** that allows applicants and beneficiaries to register complaints. It should also ensure that information regarding the mechanism is communicated openly and clearly to applicants and beneficiaries.

Existing BISP beneficiaries have access to financial institutions and there is more the GoP can do to **ensure financial inclusion of temporarily enrolled beneficiaries**. Using G2P payments in a response to future shocks provides an opportunity to open up access to financial services in a more meaningful way. The **use of more innovative payment mechanisms can be explored** to translate financial access into advanced usage – including the adoption of digital financial instruments, savings, and insurance products. The objective should be to enable a longer-lasting relationship with the beneficiaries that also helps realise the vision set out under the State Bank of Pakistan's National Financial Inclusion Strategy.

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Annex A Social protection programmes in Pakistan

A.1 Structures and programmes at the provincial level

The following paragraphs provide a summary of the key social safety programmes being implemented by the respective provincial governments.

- **Balochistan:** In Balochistan, the Social Welfare, Special Education, Literacy, Non-Formal Education, and Human Rights Department is in charge of social protection measures and initiatives. In 2019, the Chief Minister of Balochistan announced the establishment of a Social Protection Cell in the province to address the economic needs of local people.[43] The Department is currently running a Child Protection Unit, special education centres, welfare homes, and vocational training centres for women, old-age homes for the elderly, and rehabilitation centres for drug addicts.

  - ο One recent but key social protection programme in the province is the **Awami Endowment Fund**, created in early 2019 under the leadership of the Chief Minister Balochistan (Ahmad and Seyfert, 2020). This is a cash transfer programme specifically aimed at funding the medical treatment of people who are poor, and disabled people. A medical board and the relevant hospital in the community determine the merit of each individual case that needs assistance and primarily support treatment for chronic diseases, such as thalassemia, conditions necessitating heart surgery, and cancer etc. (The Nation, 2020).

- **KP:** Social protection in KP is the mandate of the Zakat Ushr, Social Welfare, Special Education, and Women Empowerment Department in the province. The Department looks after activities ranging from the provision of artificial limbs to establishing and running orphanage, schools for special needs children, rehabilitation centres for drug addicts, and homes and training centres for women in distress.

  - ο In 2019 the Government of KP introduced a universal medical insurance programme, called the **Sehet Sahoolat Programme.** The aim of the initiative is to reduce the out-of-pocket expenditure incurred by poor people on the treatment of diseases such as heart ailments, diabetes, kidney diseases, burns, chronic infections, organ failure, and cancer.[44] Any Pakistani CNIC holder with a permanent residence address in KP province is eligible to receive the coverage.

- **Punjab:** In the Province of Punjab, the Punjab Social Protection Authority (PSPA), established in 2015 through a provincial act, is responsible for the social protection system. Working under the Planning and Development Board in Punjab, PSPA brings together other departments, such as Special Education, Welfare, Industries, and Zakat and Ushr, to coordinate the social protection response for the province. PSPA is currently implementing programmes related to social assistance, social insurance,

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[43] https://bexpress.com.pk/2019/06/government-to-establish-social-protection-cell-in-balochistan-cm/
[44] https://sehatsahulat.com.pk/index.php?id=5

employment creation, and labour welfare. Some of the key social protection programmes in the province are the following:[45]

ο **Unconditional cash transfers:** One of the unconditional cash transfers is called the Guzara Allowance, which provides PKR 1,000 cash assistance to the poorest people in each area, through the local Zakat committee. Another unconditional cash transfer is meant for 'marriage assistance', and provides one-time support of up to PKR 20,000 for women's wedding expenses.

ο **Conditional cash transfers:** Under the Zevar-e-Taleem programme, secondary school girls from 16 less-developed districts are provided PKR 3,000 every three months (PKR 1,000/month) if they maintain at least 80% attendance in school. The purpose of this conditional transfer is to improve the rates of enrolment and retention of girl children in these areas. Another conditional cash transfer programme is targeted towards children working in brick kilns. Besides the provision of uniforms, books, and stationery, the programme provides PKR 2,000 to the parents upon the enrolment of their child in school, and later a monthly stipend of PKR 1,000 to ensure retention.

ο **In-kind transfers:** Another cash transfer is the 'health and leprosy grants'. These support the treatment of poor patients by covering their expenditures at government hospitals. The hospitals receive the funds and thus treat the patient free of cost. Other forms of in-kind support provided by the province are women's welfare services, child welfare services, welfare services for disabled people, old-age homes, labour colonies, and hostels for working women etc.

- **Sindh:** In the Province of Sindh, the main executing agency for social protection is the Social Protection Unit, housed within the Social Welfare Department of Sindh. However, the implementation of different social protection programmes is spread across different departments and organisations, such as Women Development Department, the Labour Department, and the Special Education Department etc.

ο **Health and Nutrition Conditional Cash Transfer:** This transfer aims to support pregnant and lactating women in two districts of Sindh Province, Tharparker and Umerkot, with a view to reducing stunting and malnutrition in these areas. The BISP registry, NSER, is used to target the women beneficiaries who are eligible for this assistance. The package includes a transfer of PKR 1,500 per trimester of the pregnancy to encourage the usage of health facilities, another PKR 4,000 for delivery expenses, and another PKR 2,000 on birth registration.[46]

A.2   Programmes at the federal level

The following are some of the key social safety programmes being implemented by the GoP:

- **BISP:** BISP targets 4.5 million beneficiary families across the country and provides an unconditional cash transfer directly into the bank accounts of women heads of families with a valid CNIC. The conditional cash transfer programme under BISP, called Waseela-e-Taleem, covers primary-level students in 50 districts of the country and provides them with a quarterly cash grant if they maintain at least 70% attendance at

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[45] https://pspa.punjab.gov.pk/welfareservices
[46] www.aap.gos.pk/sectors/social-protection/

school. Until June 2020, BISP had disbursed PKR. 944.74 billion in unconditional cash transfers and conditional cash transfers. Now placed under the umbrella of the Ehsaas Strategy on social protection, it is one of the largest social protection programmes globally (Ahmad and Seyfert, 2020). The World Bank, ADB, and FCDO, under various projects and programmes, have been providing budgetary and technical support to BISP over the years.

- **PPAF:** PPAF provides micro-credit, enterprise development, community-based infrastructure and energy projects, livelihood enhancement and protection, social mobilisation, and capacity building institutional assistance for partner organisations in 144 districts of the country. Since its inception in 2000 till March 2020, PPAF had disbursed approximately PKR 224.64 billion. Under the National Poverty Graduation Programme of the Ehsaas programme, funded by the International Fund for Agricultural Development and the GoP, PPAF will transfer livelihood assets and provide trainings to 176,877 ultra-poor households. Additionally, it will also provide interest-free loans through 24 partner organisations to 2.28 million households in the next four years.

- **Zakat:** Zakat is the Islamic act of donating to charitable causes and every Muslim with a certain level of income and assets pays it annually. Zakat is deducted from savings accounts and other sources in the banking system as per a standard formula, in addition to people contributing to it voluntarily. The Federal Government collects these funds and then disburses them to the provinces and other administrative areas, where local Zakat Committees determine the eligibility of beneficiaries through social targeting. All the applicants must be Muslim adults and must be living under the poverty line. Benefits under the Zakat Programme include educational stipends, marriage grants (for the weddings of poor girls), and Guzara Allowance (sustenance allowance of PKR 1,000 per month per poor person).

- **Pakistan Bait-ul-Mal:** This support targets the destitute, widows, orphans, invalids, the infirm, and other needy persons through arrangements established at the district level. The benefits include financial assistance, accommodation (orphanages and facilities for senior citizens), child support programmes, medical treatment, and rehabilitation services.

- **Employees Old-Age Benefits Institution (EOBI):** EOBI is a compulsory private sector insurance scheme that provides old-age workers with a small yet sustainable source of income for insured persons living below the poverty line through benefits such as Old-Age Pension, Invalidity Pension, Survivors Pension, and Old-Age Grants. The employer is supposed to contribute 5% of the wage monthly on behalf of the employee and the employee contributes 1% of the monthly wage. However, most employers do not register and pay their contribution, which has resulted in a very low coverage of the EOBI as compared to the actual number of workers (Ahmad and Seyfert, 2020).

- **Workers Welfare Fund:** The fund was established in 1971 as a way of assisting eligible industrial workers, who deposit 2% of their income into the fund. These funds are collected at the federal level and disbursed through provincial Workers Welfare Fund boards to workers to meet their needs, such as construction of houses, children's education, and support for daughters' marriages etc.

Annex B Stakeholders interviewed

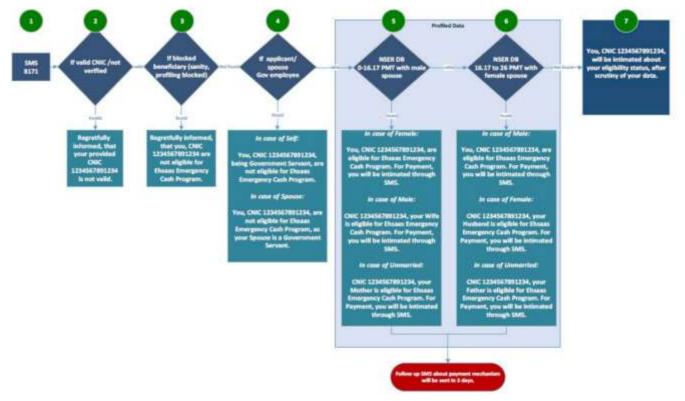| S. no.	Organisation	Job title
Federal government		
1.	BISP	Director General NSER
2.	BISP	Director General Payment Case Management System and Case Management System
3.	NADRA	Head of Social Sector Programmes
4.	NDMA	Director (Implementation)
Donor agencies		
5.	FCDO	Provincial Representative (Punjab) and Social Development Adviser
6.	FCDO	Programme Manager, Social Protection
7.	FCDO	Livelihood and Humanitarian Adviser
8.	FCDO	Team Leader and Social Development Adviser
9.	World Bank	Senior Technical Adviser (Safety Net Programmes)
10.	ADB	Senior Economics Officer
11.	ADB	Project Analyst
12.	WFP	Health and Nutrition Officer
13.	WFP	National Education Focal Point
14.	International Labour Organization	Senior Programme Officer
15.	UNDP	Policy Analyst, Development Policy Unit
16.	UNHCR	Senior Development Officer
Key experts		
17.	Independent	Independent
18.	Independent	Independent
19.	Oxford Policy Management	Senior Consultant

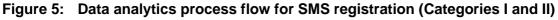# Annex C EEC sources of funding

The table below presents the budget and sources of funding against each EEC category. The budget allocation is estimated by the authors based on the exact number of beneficiaries against each category.

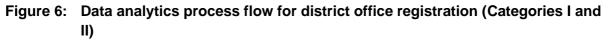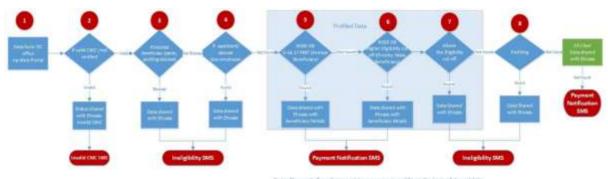| Category	Beneficiary description	Budget allocation (approx.)	Source of funding
I	5 million existing Ehsaas Kafaalat beneficiaries	PKR 60.4 billion	Federal Government (and some support from ADB)
II	4 million additional poor and vulnerable families identified from the NSER	PKR 48 billion	Federal Government
III	3.5 million additional poor and vulnerable families identified through provincial and district administrations	PKR 42 billion	Federal Government
IIIA	0.7 million additional poor and vulnerable families from Punjab identified through district administrations	PKR 8.4 billion	Government of Punjab
IV	1.2 million labourers who suffered livelihood loss due to the pandemic	PKR 15.17 billion	Prime Minister's COVID Relief Fund
V	2.5 million newly poor families that fit the Categories II and III eligibility criteria but were excluded due to reaching the limit for total number of beneficiaries	PKR 29.42 billion	Federal Government

Annex D Data analytics process flow for verification

This annex presents the data analytics process flow for verification of Categories I, II, and III beneficiaries under the EEC Programme.

Figure 5:   Data analytics process flow for SMS registration (Categories I and II)

Source: EEC Programme document.

Figure 6:   Data analytics process flow for district office registration (Categories I and II)

Source: EEC Programme document.