

15 Years of

BENAZIR INCOME SUPPORT PROGRAMME



BENAZIR INCOME SUPPORT PROGRAMME
GOVERNMENT OF PAKISTAN

Benazir Income Support Programme

15 Years' Journey from Inception to a Globally Recognized Social Protection Program

Policy & Research Unit

Authors



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List of Abbreviations

ACM	Attendance Compliance Monitoring
ADB	Asian Development Bank
AJK	Azad Jammu and Kashmir
ATM	Automated teller machine
BAFL	Bank Alfalah Limited
BBCs	BISP Beneficiary Committees
BDC	Benazir Debit Card
BISP	Benazir Income Support Programme
BVS	Biometric Verification System
CAPI	Computer-Assisted Personal Interviews
CCT	Conditional Cash Transfer
CM	Compliance Monitor
CoM	Compliance Monitoring
CT	Cash Transfer
DG	Director General
DLIs	Disbursement Linked Indicators
DRCs	Dynamic Registration Centers
DSC	Data Sharing Committee
ECO	Economic Cooperation Organization
FCDO	Foreign, Commonwealth and Development Office
FY	Fiscal Year
GB	Gilgit Baltistan
GIS	Geographic Information System
GIZ	Gesellschaft für Internationale Zusammenarbeit (German Development Agency)
GoS	Government of Sindh
HBL	Habib Bank Limited
HQ	Head Quarters
HR	Human Resource
ICR	Implementation Completion Report
IMF	International Monetary Fund
INGO	International Non-Government Organization
JSBL	JS Bank Limited
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
LHW	Lady Health Worker
M&E	Monitoring & Evaluation
MIS	Management Information System
MoU	Memorandum of Understanding
NADRA	National Database and Registration Authority
NBP	National Bank of Pakistan
NCTP	National Cash Transfer Programme
NDMA	National Disaster Management Authority
NGO	Non-Government Organization
NOC	No Objection Certificate
NSER	National Socio-Economic Registry
PBS	Pakistan Bureau of Statistics
PCMS	Payment Compliant Management System
PIN	Personal identification number
PLW	Pregnant and Lactating Women
PMT	Proxy means test

PMU	Project Management Unit
PO	Partner Organization
PoS	Point of Service
SBP	State Bank of Pakistan
SDG	Sustainable Development Goals
SLIC	State Life Insurance Corporation of Pakistan
SNF	Specialized Nutritious Food
SSN	Social Safety Net
STA	Single Treasury Account
UBL	United Bank Limited
UCT	Unconditional Cash Transfer
UNICEF	United Nations Children's Emergency Fund
WB	World Bank
WeT	Waseela e Taleem

1 Philosophy of Benazir Income Support Programme

1.1 Global Scenario

Provision of social protection was historically considered to be domain of the developed and industrialized countries up to the 1990s. The concept of social protection was primarily associated with either the social security of wealthy nations or contributory social insurance programs for workers in the formal sector of the economy. However, events stemming from the Debt Crisis of the 1980s in the Latin American countries and the advent of the structural adjustment programs by the Bretton Woods institutions, i.e., the International Monetary Fund (IMF) and the World Bank group (WB) to focus a new dimension of social protection – social safety nets. The term became synonymous with the structural adjustment programs advocated by the IMF and WB for restructuring the economies of developing countries, to increase efficiency and improve resource allocation across productive sectors. These countries introduced social safety nets to reduce the impact of the programs on the poorest groups. Social Safety Net/ Social Assistance (SSN/SA) programs are noncontributory interventions designed to help individuals and households cope with chronic poverty, destitution, and vulnerability. SSN/SA programs target the poor and vulnerable. Examples include unconditional and conditional cash transfers, noncontributory social pensions, food and in-kind transfers, school feeding programs, public works, and fee waivers. Initially, SSN programs were intended for three purposes: i) promote institutional reforms; ii) cushion the impact of adjustment programs on affected population groups; and iii) most importantly poverty reduction. Social safety nets aim to prevent poor and other vulnerable groups from falling into poverty or being caught in a poverty trap when affected by temporary shocks, such as a natural disaster or economic downturn. They provide temporary help so that households effectively cope with periods of stress. Negative shocks faced by households can include (i) natural hazards such as floods, earthquakes, drought, Locust, Glacial Lake Outburst Floods (GLOF), cyclones, etc. (ii) health risks such as sickness, disability, or disease; (iii) life-cycle risks such as childbirth and old age; (iv) economic risks such as unemployment or high inflation; and (v) social risks such as civil unrest. Poorer groups generally have a lower capacity to cope with risks. This is because unlike better-off groups, they generally do not have assets, such as savings, access to insurance or credit that can be used to cope with negative shocks. As a result, when affected by adverse events, poorer households may be forced to resort to poverty-entrenching risk-coping mechanisms such as reducing their calorie intake, or taking their children out of school to earn income for sustenance, which can also keep the next generation in poverty.

Over the past three decades, many developing countries around the world have introduced safety net programs to provide some measure of minimum protection to the poor and vulnerable population segments. In 1995, the first Conditional Cash Transfer (CCT) program was launched in Brazil: Bolsa Escola Program, which covered population in the Federal District of the country. Over time, this program was replicated at the national level across many municipalities and states in Brazil and took shape of the current Bolsa Familia program. In 1997, Mexico launched its CCT program Progresa, now known as Prospera. The program used conditional cash transfers to help reduce short-term poverty, while providing households incentives to invest in the human capital development of their children.

As a result of the Asian financial crisis of 1997-98, many countries introduced social safety net programs to protect vulnerable groups against future crises. Indonesia and Philippines instituted programs, which were later quickly scaled up to provide regular support to the poor and marginalized groups. The Global Economic and Financial Crisis of 2007-08 further underscored the importance of the role of social protection and social safety nets in providing targeted support to affected population segments. While the economic crisis developed far from their borders, people in many developing countries were strongly hit by the slowdown in world trade, abnormal changes in food prices and other commodity markets. The people living in poverty or non-poor households subsisting just above the poverty line – more vulnerable to any form of risk were the hardest hit by the crisis which severely limited their ability to afford adequate food or decent living conditions, education, or health care. Recently, the COVID-19 Pandemic which gripped the entire world for the last three years has presented policy makers with a unique form of challenges in terms of twin health and economic shocks on a scale unseen before in global history. The disease has affected the lives and long-term livelihoods of millions of poor people across the Globe pushing millions into extreme forms of poverty. Social safety nets played a major role in response to the COVID-19, with 190 countries having adapted, planned, and implemented multiple social protection measures during the crisis, mostly in the form of cash transfers. Various factors have been responsible for social safety nets being central to the COVID-19 response. This includes over two decades of extensive, rigorous research documenting effectiveness of SSNs in protecting food security, assets, and human capital, ability to replace lost income for credit-constrained poor households and the existing safety net infrastructure already in place, in most countries. Decades ago, SSNs were put in place to cushion against adverse effects of multilateral sponsored stabilization and structural adjustment programs on poor and the vulnerable population segments. From these beginnings, SSNs now fulfill a spectrum of social policy requirements across both developed and developing countries, which includes reducing poverty and inequality, helping households prevent, prepare, and respond to shocks—macro or idiosyncratic—so they can better manage risk; and helping households invest in improving their livelihoods.

1.2 Rationale

Being a developing nation, Pakistan has faced challenges of persistently large share of its population living in poverty. With the start of new millennium, over 50 percent of the country's population was estimated to be living in poverty in 2004-05, on basis of the official poverty line notified by the Government of Pakistan (Ministry of Planning, Development and Special Initiatives). The 2008 global financial crisis and subsequent economic slowdown resulted in high fuel and commodity prices which adversely affected Pakistan's economy. The country faced lower economic growth and spiraling inflation with commodity and fuel prices reaching a 30-year highest level, which posed a threat to the welfare of already vulnerable households. The macro-economic crisis in the country necessitated making social protection an urgent priority for poor and the vulnerable segments of society. With the objectives to attain both growth and equity, social protection is a mechanism available to transfer the benefits of economic progress to the extremely poor and vulnerable people to make them part of the overall development process. It was in this background, the Government of Pakistan launched the Benazir Income Support Programme (BISP) in July 2008, as the premier safety net institution in Pakistan. This made Pakistan one of the 36 countries that have put in place a national social safety net program

to provide support to disadvantaged population groups to cope with the adverse impacts of the Global Economic and Financial Crisis. Benazir Income Support Programme, started as a targeted Unconditional Cash Transfer (UCT) program, focused on poor women with an immediate objective of consumption smoothing and cushioning against the negative effects of high inflation and slow economic growth. To achieve the supplementary objective of women empowerment, BISP was designed to provide support exclusively to ever married women. BISP beneficiaries belong to the most under-privileged, excluded, marginalized and vulnerable sections of society, living in abject poverty. Economic deprivation, regardless of political affinity, racial identity, geographical location and religious beliefs, have been laid down as the sole criterion for selection of BISP beneficiaries. Social safety transfers are necessary for creating an environment in which the most vulnerable segments of society are protected from the social and political costs of economic and structural reforms.

Since inception, the programme has become an important component of the overall Government's poverty alleviation initiatives, as global evidence clearly indicates that well-targeted social safety transfers are essential ingredients of a comprehensive poverty reduction strategy. While anti-poverty public expenditures on provision of social services are essential for improving human capabilities, reducing income inequalities, and ensuring greater participation of poor in the process of economic development, the importance of providing targeted support to poor and vulnerable households through safety nets especially in times of economic distress cannot be underscored.

2 Governance Structure of BISP

Established through an Act of Parliament, BISP works under the patronage of the Prime Minister of Pakistan being the Executive Patron and the President of Pakistan acting as the Chief Patron of the programme. The Benazir Income Support Programme Act 2010 promulgated in August 2010 provides for establishment of BISP and lays down its main objectives. Section 4 of the Act defines the following three main goals of the Programme:

1. enhance financial capacity of poor people and their dependent family members;
2. formulate and implement comprehensive policies and targeted programmes for the uplift of underprivileged and vulnerable people; and
3. reduce poverty and promote equitable distribution of wealth especially for the low income groups.

Vision

Eradication of poverty and elevating the status of marginalized and under privileged sections of society, especially women, through establishment of comprehensive Social Protection Net

Mission

BISP is dedicated to fight poverty by employing multiple social protection instruments designed to bring a sustainable positive change in the lives of persistently excluded and deprived families

2.1 Council

The governance structure of the Programme is laid down in Sections 5-9 of the BISP Act. The Government of Pakistan is represented at BISP through the Council, as stipulated in Section 8 of the BISP Act. The Council is the highest authority at BISP. The President of Pakistan is the Chief Patron, and the Prime Minister is the Executive Patron of the Council. Members of the Council are appointed by the Chief Patron on advice of the Executive Patron, and are highly reputable, distinguished, and well accomplished national and international individuals. The Chairperson BISP serves as an ex officio member of the Council, which is required to meet at least once in a year. The Council has the following powers and functions, as defined under Section 9 of the Act:

- To mobilize financial resources for the Programme, specifically for the Safety Net Programme;
- To advise BISP Board on the following matters:
 - Policies on poverty reduction;
 - Enhancement of the Programme;
 - Reaching out to the donors through the Chairperson of the Programme;
 - and

- Affairs of the Board and performance of its functions.

2.2 Board

The BISP Board is the highest body in charge of policy development and strategy formulation with regard to BISP and its various initiatives. BISP Act 2010 provides for a Board comprising of 9 to 11 members. The members belong to representatives from the government, non-governmental organizations, and are technical experts. Chairperson BISP is appointed by the Chief Patron on the advice of the Executive Patron and heads the Board. Secretary BISP is an ex officio Member is Secretary of the Board and also serves as Principal Accounting Officer.

The powers and functions of BISP Board as laid down under Section 6 of the Act are:

- To approve budget of the Programme prepared by BISP management;
- To take decisions on the financial aspects of the Programme submitted by the management;
- To monitor the Programme in a transparent manner;
- To make regulations, and approve policies and manuals;
- To approve eligibility criteria for financial assistance under the Programme; and
- To present annual progress reports to the Council and consider its recommendations.

Whenever appropriate, the Board will delegate its authority to the respective BISP wing responsible for addressing the concern, or to a specifically assigned representative or staff member. The major executive functions relating to the Programme have been vested in the position of Chairperson of BISP. In this regard, Section 7 of the BISP Act 2010 lays out the following powers and functions of the Chairperson:

1. The Chairperson of the Board shall be the Chairperson of the Programme;
2. The Chairperson shall be in-charge ensuring consistency of operation with policies of the Programme approved by the Board.
3. The Chairperson shall provide strategic guidance to the Progarmme and ensure implementation of the Programme in accordance with the decisions of the Board and provisions of this Act.
4. The Chairperson shall in consideration of the advice of the Council execute the Board decisions for enhancement of the Programme.
5. The Chairperson shall be responsible for meeting all objectives and policies of Programme and implementation thereof.
6. The Chairperson shall have the power to enter into any agreement, contract, understanding with any international organization or institution or donor agency or counter-part entity, on the advice of the Council and approval of the Board.

7. The Chairperson shall assist the Council in publicizing the Programme as well as raising funds. The Secretary BISP is the head of the management and is responsible for overseeing the day-to-day operations of the organizations. Section 10 of the Act specifies the roles and responsibilities of the management, which include:

- To execute the policies and plans approved by the Board
- To adopt modern and effective processing and distribution mechanism without any intermediaries so that the financial assistance or funds are provided to eligible persons and families.
- To identify eligible persons or families for financial assistance or other benefits
- To determine terms and conditions of the employees and grant additional allowances or any other incentives to them by making regulations to that effect.
- To take appropriate measures for effective administration, monitoring and evaluation of the Programme.
- To engage any person or entity on contract basis to carry out assignments or for the consultancy in accordance with the regulations;
- To establish administrative structure at the field level for the efficient implementation and accessibility of the Programme;
- To implement mechanisms and processes that facilitate the removal of grievances and complaints related to the Programme's operations as provided in the regulations, and
- Submit quarterly progress reports to the Board on the financial and operational aspects of the Programme.

2.2.1 Government Members

- Chairperson, BISP /Chairperson, BISP Board (Ex-Officio Member)
- Secretary, BISP (Ex-Officio Member)/Secretary of the Board
- Secretary, Ministry of Poverty Alleviation and Social Safety (Ex-Officio Member)
- Chairman, National Database and Registration Authority (NADRA) (Ex-Officio Member)
- Secretary/Additional Secretary, Finance Division (Ex-Officio Member)
- Secretary/Additional Secretary, Economic Affairs Division - (Ex-Officio Member)

2.2.2 Private Members

- Dr. Kaiser Bengali
- Dr. Ashfaque Hasan Khan
- Mr. Haris Gazdar
- Dr. Osman Hasan
- Ms. Sania Riffat

2.3 Organizational Structure

In order to implement its cash transfer programs across the country, BISP has over the years built up its structure of provincial/ regional office as well as tehsil offices throughout the country. Presently, BISP operates nationwide through a network of 385 tehsil offices, 33 divisional offices, six regional offices, and its headquarters in Islamabad. This structure facilitates programme implementation at the national, provincial, divisional, and local level.

The regional offices in the provinces are headed by Director Generals, and regional offices of Azad Jammu and Kashmir and Gilgit-Baltistan are headed by Regional Directors. All Director Generals and Regional Directors administratively report to the Secretary BISP who heads the management. At the grass roots level, the BISP tehsil offices are headed by an Assistant Director. There are five implementation levels in order of hierarchy:

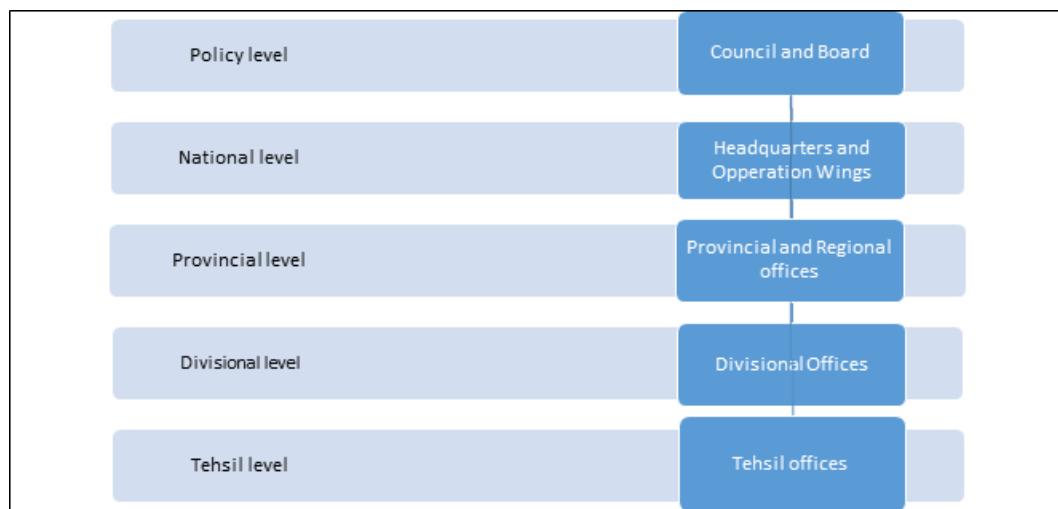


Figure 2.1: Organizational Units

ORGANIZATIONAL UNITS

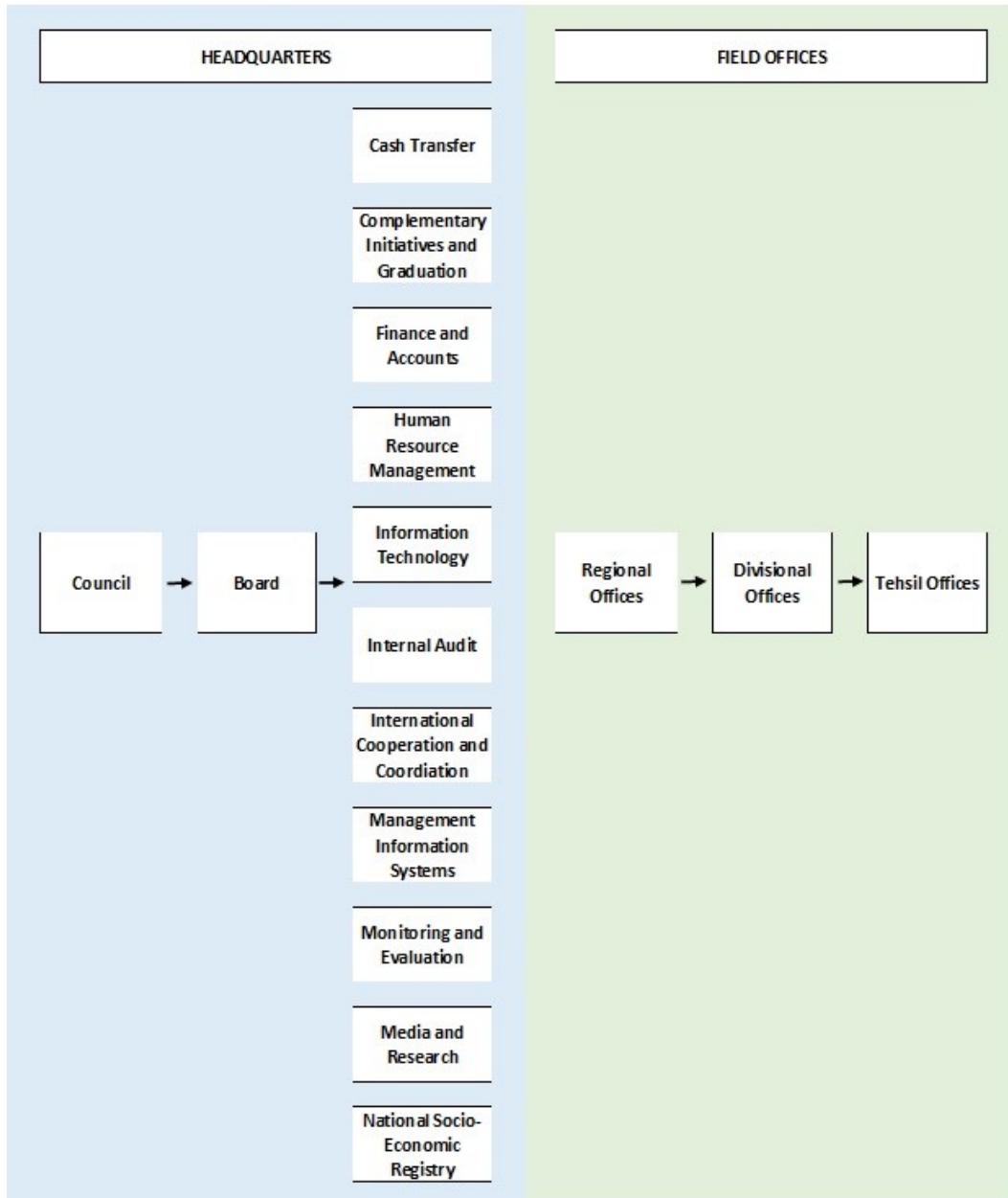


Figure 2.2: Organizational Units

3Main Programs of BISP

3.1 Unconditional Cash Transfers

From its inception in 2008 and to date, the unconditional cash transfers have been the main intervention of BISP. The short term objective of this programme was to cushion the negative effects of slow economic growth, food crisis and inflation on the poor, particularly women. Its long term objectives include meeting the targets set by Sustainable Development Goals (SDGs) to eradicate extreme and chronic poverty and empowerment of women.

The notion that making women the direct recipients of cash transfers will improve their influence in households' resource allocation decisions and will empower them in general is at the heart of BISP. The notion that women should receive cash transfers derives from the original plan for the Prospera program in Mexico, which was designed under the working hypothesis that by providing women with more external income, they would have a larger share of overall household income, and therefore their agency within the household would increase (Schultz, 2004). From a theoretical perspective, the transfers represent a change in the share of income earned by each adult within the household, which lasts so long as the household receives transfers; the changes are not expected to last beyond the receipt of the transfers (WB reference).

Presently, beneficiaries of UCT/Kafaalat Programme are identified/ selected through scientific mode of National Socio Economic (NSER) survey based on Proxy Means Test (PMT) that determines the welfare status of the household on a scale between 0-100 (see chapter 4 for further details). The PMT cut-off score for eligibility is decided on the basis of available fiscal space. At present, PMT cut-off score of 32 is being used as eligibility cut-off to identify vulnerable families. However, for families with disabled persons, the PMT cut-off score is set at 37. The recipients of cash assistance can only be ever-married women of the eligible families, with valid CNICs. However, in result of recent change in policy, transgenders are also included under the programme without any restriction of PMT score.

Initially, the beneficiaries of the programme were provided cash assistance @ Rs 3,000/- per quarter per beneficiary. The quarterly cash grant has been gradually enhanced over-time from Rs. 3,000/- per beneficiary to Rs. 8,750/- per beneficiary. The summary of year-wise increase in quarterly cash assistance is given under in Table 3.1.

Table 3.1: Year-wise Increase in quarterly cash assistance

Fiscal year	Quarterly tranche rate
2008 - 09	3,000
2009 - 10	3,000
2010 - 11	3,000
2011 - 12	3,000
2012 - 13	3,000
2013 - 14	3,600
2014 - 15	4,500
2015 - 16	4,700
2016 - 17	4,834
2017 - 18	4,834

Fiscal year	Quarterly tranche rate
2018 - 19	5,000
2019 - 20	5000 - 6000
2020 - 21	6,000
2021 - 22	6000 - 7000
2022 - 23	7000 - 8750

BISP's annual budget allocation for UCT/Kafaalat programme rose from Rs. 16 billion in FY 2008-09 to Rs. 275 billion for FY 2022-23. During first three quarters of FY 2022-23, an amount of Rs. 164.8 billion has been disbursed under the programme. Year-wise summary of funds allocated/disbursed under UCT/Kafaalat programme is given as under:

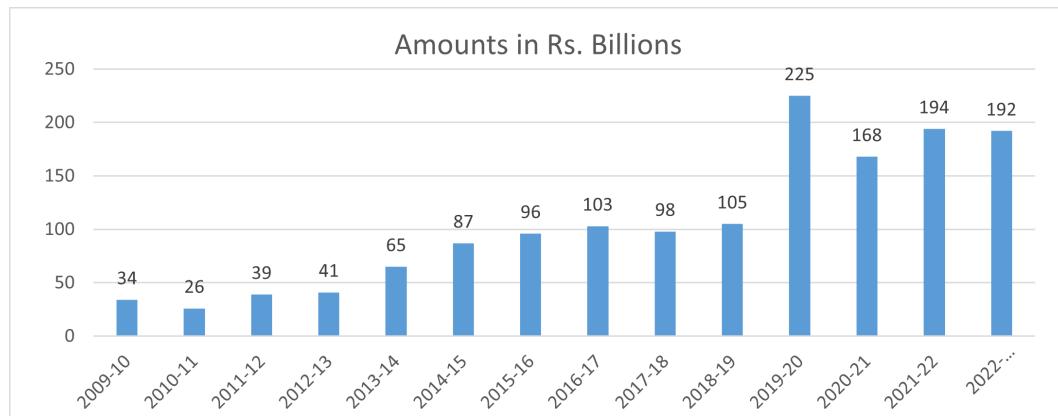


Figure 3.1: Year-wise summary of funds allocated/disbursed under UCT/Kafaalat programme (Rs., billion)

3.1.1 Inclusion of Transgender in Kafaalat

Previously, only ever-married women were eligible to receive cash assistance under BISP Benazir Kafaalat Programme. BISP Board has recently approved the policy to include transgenders in Benazir Kafaalat programme. As per approved Policy, transgenders are required to obtain CNICs from NADRA wherein gender is mentioned as transgender. Survey is mandatory at Benazir Registration Centers established at BISP Tehsil Offices. However, PMT cut-off restrictions are relaxed i.e. all transgenders whose survey is conducted successfully, are eligible for inclusion in the programme. After validation/verification of data by NADRA, transgenders are declared as beneficiaries and they can start receiving cash assistance through BISP's partner banks.

3.1.2 Exclusion Filter of Travel Abroad and Pensioner Policy

CT wing has moved a working paper for the approval of Board, through circulation, for removal of Travel Abroad profiling/exclusion filter. It is estimated that 194,000 beneficiaries blocked on this filter will resume receiving their payments. Similarly, under the Pensioner's Policy, approved by BISP Board in its 57th meeting held on 1st December, 2022, around 55,000 beneficiaries blocked on account of being themselves or their spouses as pensioners will be unblocked. The data analysis has revealed that

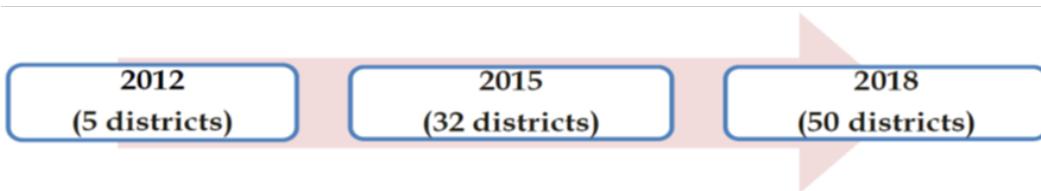
a substantial number of these blocked beneficiaries i.e. around 95,000 from Travel Abroad and 51,000 from Pensioner block, are already enrolled with partner banks and upon removal of these two filters they will be included in payment during next tranche (04th quarter of FY 2022-23).

3.2 Conditional Cash Transfers

Investing in human capital is one of the government's core poverty reduction strategies as part of its global commitment to the Sustainable Development Goals (SDGs). International empirical evidence suggests that expenditure on primary education tends to be pro-poor as children number is generally larger in lower income households and they are more prone to chronic poverty shocks. Moreover, linking cash transfers with behavioral conditions can help in enabling poor households to attain the education and health facilities as well as breaking vicious cycle of poverty transmitted over generations. Such investment in human capital has also proven to bring about long term positive impacts on socio economic development of the country at macro level. In line with the objective of improving the human capital outcomes of children in poor and low-income households, BISP designed and launched the Waseela e Taleem conditional cash transfer (CCT) program, which was developed in consultation with all the programme stakeholders. This CCT program of BISP was initiated to financially support the primary education of 4 to 12 years old children of BISP beneficiary families for their enrolments and retention. The major objectives of WeT programme included:

- To create long term sustainable awareness on the importance of primary education among BISP beneficiary families
- Increase enrolment of children in schools for primary education
- Improve school attendance by the children
- Decrease school drop out rates

WeT Programme was launched in five pilot districts as part of initial test phase, in collaboration with education departments of provinces/regions in November, 2012. It was extended to 27 more districts in January, 2015 in all provinces/ regions of Pakistan. Under this program, each beneficiary child received a cash transfer of PKR 750 per quarter upon meeting the admission verification in 1st quarter and attendance requirement of 70% in subsequent quarters till completion of the primary education. It is part of the Graduation Strategy aiming to link the Unconditional Cash Transfer (UCT) to attainment of human development goals. Based on the field experience and lessons learnt from the implementation, the program expanded in different districts of the country in different phases, it was being implemented in 50 districts of the country till 2018.



The program underwent major reforms at policy, technical and operational level in recent past years. Following major reforms have been introduced in last three years:

END TO END Digitized manual processes end-to-end

fully biometric and streamlined

Doubled stipend; Rs. 1500 (boys) and Rs. 2000 (girls) quarterly

Developed institutional architecture for delivery; Decreased operational cost; 8% to 3%

Expanded coverage; 50 to 154 districts

B-form is mandatory requirement for enrolment to increase birth registration

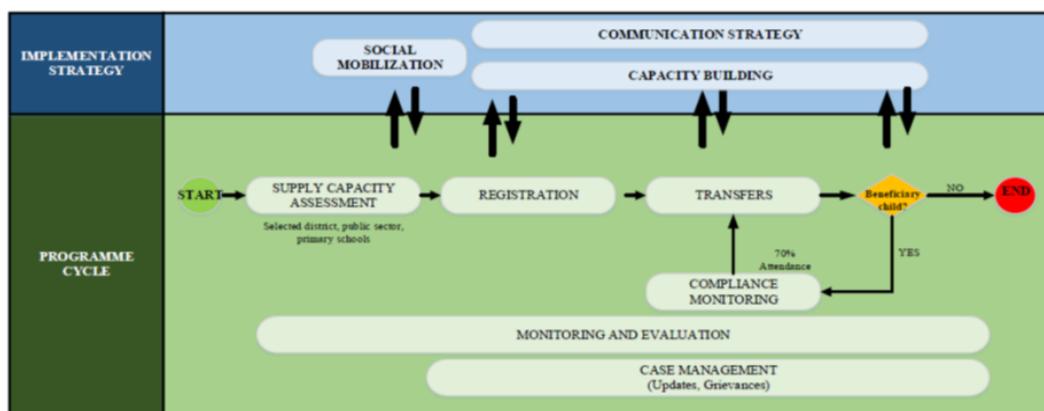
Further, in 46th and 50th board meeting held on April 02, 2021 and June 28, 2021 respectively; the WeT program has been expanded for secondary and higher secondary children of BISP UCT beneficiary households and implementation in secondary and higher secondary was initiated from July 2021 all over Pakistan. Further, in 50th Board Meeting the brand name of the programme has been changed from Waseela-e-Taleem to Taleemi Wazaif. After the introduction of the major reforms indicated above, the programme is now being implemented in all districts of the country.

2019
(100 districts)

2020
(154 districts)

3.2.1 Programme Cycle

Benazir Taleemi Wazaif Programme cycle consists of eight major steps; from target identification to the stipend disbursement, each processing step is end-to-end digitized with multiple layers of verifications and cross-checks to ensure targeting accuracy, family-tree verification and admission/attendance compliance of beneficiaries.



3.2.1.1 Target / Screening

Like all the other social protection programmes of BISP, Benazir Taleemi Wazaif also draws its preliminary potential beneficiary data from the NSER dynamic registry for quarterly target setting. Analysis is carried-out on the NSER data which comprises socio-economic data of over 34 million households of the country. Filters based on specific criterions are applied on this data to identify potential Benazir

Taleemi Wazaif beneficiaries across Pakistan. Multiple factors are considered during this screening process, such as total number of potential beneficiaries (in a particular district and tehsil), number of potential beneficiary children per household, availability of schools in the region, availability of BISP human resource in the region and so forth.

3.2.1.2 Enrollment Target Allocation

Once the potential beneficiary target numbers are finalized; targets are assigned to respective field teams across Pakistan. Headquarter based Benazir Taleemi Wazaif Enrollment team load region wise enrollment targets into the enrollment application installed on the tablets through a secured web-based network. Target data contains names of BISP beneficiary, contact information, address etc. This data is primarily used by BISP field teams to contact the potential beneficiaries to sensitize them about the programme and for subsequently enrolling their children with the programme.

3.2.1.3 Mobilization

Following region wise target allocation, potential beneficiaries are mobilized (in field through BISP tehsil office field staff) by carrying out awareness campaigns in communities across Pakistan. During these campaigns beneficiaries are informed about the objectives and prerequisites of the programme. Mobilization activities are held, time and again to ensure maximum dissemination of information in the target area. As part of the mobilization campaign officials and teachers of provincial and district education department are also provided awareness sessions. Guidelines to teachers are shared regarding coordination mechanism and record keeping/sharing of Benazir Taleemi Wazaif enrolled students with Compliance Monitors.

3.2.1.4 Registration & Enrollments

Intake of Benazir Taleemi Wazaif potential beneficiary children into the programme is administered through the registration & enrollment process which is carried out by field teams across Pakistan using enrollment application installed on the tablets. BISP establishes registration desks at convenient locations for this purpose. By registering a child, he/she becomes part of the database as a registered child - however registered child cannot be considered as an enrolled child until the child provides proof that he/she is admitted in a school. Furthermore, when a child is enrolled through the enrollment application after provision of school admission proof – the provided information (B-Form, Date of Birth, family tree) gets verified in real time from NADRA. Once the information is verified, the child gets enrolled in the programme. Registration and enrollment activity is carried-out throughout the year.

3.2.1.5 Attendance Compliance Monitoring

Once a child is enrolled during the registration and enrollment process – his/her data is automatically synchronized and becomes part of the Benazir Taleemi Wazaif enrolled children database. This database also contains information about the type, addresses and level of schooling of the enrolled children. This information is loaded into the ACM application by MIS wing, which is used to collect attendance

compliance data of every enrolled child across Pakistan. The ACM data is collected by Compliance Monitors on quarterly basis. The primary objective of ACM is to monitor Benazir Taleemi Wazaif children's co-responsibility compliance (70% attendance) for entitling eligible enrolled children to receive the stipend amounts. ACM region wise targets are assigned to a team of HQ based Compliance Coordinators who are responsible to coordinate and further assign ACM tehsil wise targets to field-based Compliance Monitors across Pakistan.

Following are the objectives of the monitoring admission verification and attendance compliance:

- Identify beneficiary children who have complied with the defined co-responsibilities with respect to admission and attendance and entitle them for cash transfers.
- Identify Benazir Taleemi Wazaif beneficiary children who have not complied with the co-responsibilities, trigger alerts in such cases, and apply the consequences of non-compliance accordingly.
- Suspend the beneficiary children from the Programme who have not complied with the attendance co-responsibility for three consecutive compliance quarters.

3.2.1.6 Case Management

Case Management is a continuous process beginning alongside registration, beneficiaries lodge different type of complaints through field offices. The objectives of Case Management process is to:

- Receive and process updates of beneficiary information.
- Receive grievances against stakeholders in order to improve service provision.
- Receive and resolve claims of beneficiaries.
- Follow up on specific cases identified through alerts generated by the system.

3.2.1.7 Disbursements

Stipend amounts are disbursed to children who have complied with the pre-requisites, determined by the Benazir Taleemi Wazaif Programme. The status of being complied or non-complied is determined by Management Information System (MIS) of CCT Wing based on the information collected and reported by CMs through the customized ACM android application. Disbursed amount is released in tranches during different quarters. Stipends are disbursed in three categories:

1. Admission compliance cash transfer
2. Attendance compliance cash transfer
3. Graduation bonus for girls completing primary education

3.2.2 Enrollments Trends and Figures

FY 2022 – 23 witnessed exponential rate of enrollments across Pakistan. Cumulatively, 3,186,479 children were enrolled at primary, secondary & higher secondary till April 2023. The significant increase in enrollments is mainly due to effective mobilization as well as expansion of programme to secondary & higher secondary level contributed to the increased enrollments. The breakup of cumulative enrolment in Taleemi Wazaif by province/ region is presented in table . The figures show that the highest enrolment was in the province of Punjab, where a total of 1.8 million children had been enrolled in the program. This was followed by Sindh with an enrolment of 0.64 million children, while 0.53 million children were enrolled in Khyber Pakhtunkhwa. The enrolment across the smaller provinces/ regions was much smaller, with nearly 0.1million children in Balochistan, 0.04 million in AJK and 0.03 million in GB.

The analysis by level of education indicates that the highest number of children were enrolled at the primary level at 2.4 million, followed by secondary level with 0.74 million children and higher secondary level having cumulative enrolment of 0.08 million children.

Table 3.2: Enrolment in Taleemi Wazaif by province/ region

	Primary	Secondary	Higher secondary	Total
Punjab	1,356,721	438,430	46,897	1,842,048
Sindh	486,479	136,646	17,902	641,027
KP	398,291	117,662	10,301	526,254
Balochistan	67,748	23,706	2,941	94,395
AJK	30185	11,471	1476	43,132
GB	21,875	8,799	1,609	32,283
Total	2,361,299	736,714	81,126	3,179,139

The analysis of program enrollment by gender shows that cumulatively, 1,684,284 male and 1,502,195 female children were enrolled in Benazir Taleemi Wazaif upto April 2023. The highest female enrollments were reported in AJK at 50% and 50% in GB, while the ratio of enrolled female was reported to be 44% in Sindh which is lowest among the regions with respect to female enrollments.

3.2.3 Attendance Compliance Monitoring

The annual work plan of Benazir Taleemi Wazaif programme compromises of three main activities spanning over the four quarters of the financial year. These activities include Enrollments & Registrations, Schooling Period, Compliance Monitoring and Financial Disbursements.

Compliance Monitoring (CoM) is the most important and on-going process of Benazir Taleemi Wazaif. The primary objective of CoM is to monitor programme beneficiary children's co-responsibility compliance for entitling their respective Benazir Taleemi Wazaif families to receive cash transfers. The analysis of the attendance compliance data reveals that compliance percentage has increased during the reporting period. Similarly, the child dropped-out percentage has also diminished; the cumulative drop-out ratio for girls is reported to be 1.23% and 1.21% for boys.

GENDER WISE ENROLLMENT %



Figure 3.2: Enrolment in Benazir Taleemi Wazaif by gender (%)

From the fourth quarter on-wards of the financial year, programme has also commenced physical verification of enrolled children from their respective schools which also improved the attendance percentage.

Table 3.3: ACM Reporting –Quarter Q3-2022

Province	Non Complied	School changed	Drop out	Family migration			
AJK	77,925	35,897	39	11,328	4,898	1,838	125
Balochistan	104,243	30,442	27	5,254	1,462	3,269	75
GB	51,543	17,026	8	4,597	648	681	31
ICT	5,311	2,677	1	643	107	44	5
KPK	705,794	148,479	134	34,325	10,062	11,048	733
Punjab	2,172,113	566,866	188	86,987	17,565	20,551	1,946
Sindh	583,950	177,142	81	28,719	11,296	13,172	395
Total	3,978,529	478	171,853	46,038	50,603	3,310	
	,700,879						

Table 3.4: ACM Reporting –Quarter Q4-2022

Province	Non Complied	School changed	Drop out	Family migration			
AJK	89,965	45,219	43	13,963	6,217	2,515	167
BALOCH	124,351	37,968	25	6,573	1,827	4,304	104
GB	57,577	24,256	15	7,676	1,733	1,057	71
ICT	6,298	3,502	1	995	235	87	6
KPK	730,278	369,029	230	82,588	75,385	22,394	2,268
Punjab	2,344,889	1,149,037	561	215,555	130,622	49,050	5,884
Sindh	643,252	255,666	144	42,571	53,619	18,176	707
Total	3,996,610	1,884,677	1,019	369,921	269,638	97,583	9,207

Table 3.5: ACM Reporting –Quarter Q1-2023

Province	Non Complied	complied	Dead	School changed	Graduate	Drop out	Family migration
AJK	92,870	26,228	24	8,697	1,354	834	44
BALOCH	139,474	34,369	14	4,206	760	1,529	63
G.B	65,970	15,350	6	4,335	339	470	38
ICT	7,628	3,831	2	1,079	155	228	5
KPK	762,388	249,539	162	80,611	16,458	13,285	842
Punjab	2,815,094	932,050	460	237,299	44,819	35,512	2,917
Sindh	722,626	301,608	162	54,529	18,811	11,059	436
Total	4,606,050	1,562,975	830	390,756	82,696	62,917	4,345

Table 3.6: ACM Reporting

Province	Primary	Secondary	Higher Secondary	Total
AJK	287,226,500	202,725,000	23,881,000	513,832,500
Balochistan	395,925,000	209,401,500	32,368,000	637,694,500
KP	2,612,432,500	1,427,969,000	127,420,500	4,167,822,000
GB	158,567,500	127,032,000	24,212,500	309,812,000
ICT	20,313,500	10,501,500	990,500	31,805,500
Punjab	9,820,339,000	3,767,430,500	359,907,500	13,947,677,000
Sindh	2,577,131,500	1,125,445,500	167,465,500	3,870,042,500
Total	15,871,935,500	6,870,505,000	736,245,500	23,478,686,000

The distribution of disbursements made under Benazir Taleemi Wazaif program during FY 2022-23 shown in Figure indicates that highest share of funds have been disbursed in Punjab, followed by Sindh and Khyber-Pakhtunkhwa

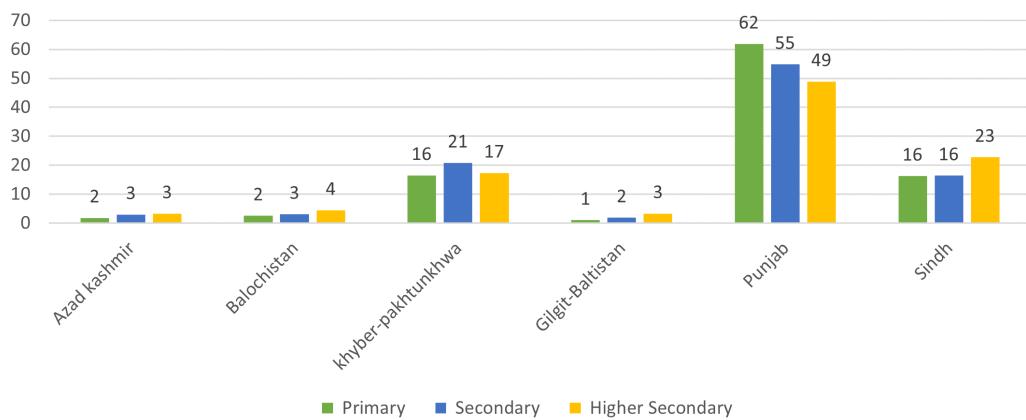


Figure 3.3: Disbursements by province/ region during FY 2022-23 (Rs, ?)

3.2.4 Benazir Nashunoma

Pakistan's high rates of malnutrition (40.2% stunting, 28.9% underweight, and 17.7% wasting) are indicative of an on-going child nutrition crisis. Such levels of malnutrition rank Pakistan the second-highest burden country in the region. The

first 1,000 days of a child's life are a window of opportunity to lay a strong foundation for later achievements. This timeframe is a period of enormous change characterized by a high degree of plasticity in the child's neurological development. Investments in the early years of life are the foundation of human capital, and human capital is a key driver of economic development in the modern economy.

To address the stunting prevention during the first 1000 days window of opportunity, BISP has designed a Conditional Cash Transfer intervention to increase the uptake of Health and Nutrition services of its beneficiaries. The design of Nashonuma Programme was approved by the Technical Design Committee of the BISP Board and was reviewed by the BISP Board during its 34th meeting.

In the initial phase, the program was launched in 13 pilot districts across all provinces/ regions, as shown in Table below. The districts were recommended by provincial governments based on the criteria given by BISP. As per criteria districts with high stunting prevalence, presence of Lady Health Workers , BISP BBCs (BISP Beneficiary Committees) and high density of UCT beneficiaries were selected. The program was implemented with active collaboration of Provincial Health Departments. Under MoUs signed with provincial Health Departments, they are required to provide supply side data, provision of space at health facilities for establishment of Facilitation Centers, and assign staff for verification of pregnancy, immunization, assistance in awareness session, and growth monitoring. It will also coordinate various actions and allow field staff (LHWs etc.) in program monitoring.

Table 3.7: List of Test Phase Districts

Punjab	Sindh	KP	Balochistan	AJK	GB
Rajanpur	Badin	Upper Dir	Kalat	Bagh	Kharmang
Muzaffargarh	Shaheed Benazir	Khyber	Khuzdar	Hattian	Diamir
	Abad				Astore

3.2.4.1 Salient Features of Benazir Nashunoma

The program aims to address stunting among pregnant and lactating women (PLW) and their children less than 2 years of age through the provision of additional cash of PKR 2,000/- per quarter per PLW and boy child and PKR 2,500/- per quarter per girl child of BISP UCT beneficiary families. In return, mothers must commit to attending regular antenatal health checks and awareness sessions during pregnancy, consuming specialized nutritious food (SNF), and taking their children for immunization and regular health checks.

SNF for PLWs, 75g of Maamta sachets are provided while for 6-23 months old children the ration is 50g of Wawamum per sachet per day. Health service delivery during antenatal visits for PLW & their children includes nutrition screening/ IFAS/ Vaccination/ Vitamin A Supplementation/ Nutrition Counseling & Growth Monitoring).

3.2.4.2 Outreach

After successful implementation of pilot phase, BISP Board approved expansion of the program throughout the country in October 2021. Presently, Nashonuma Programme is operationalized in 156 districts of the country through 480 Facilitation Centers and Rs. 11.8 million has been paid to 404,410 beneficiaries as Conditional Cash Transfer under the Programme. In addition to cash disbursements, Specialized Nutritious Food worth USD 15.3 million has been distributed to beneficiaries of Benazir Nashonuma Programme. It is expected that Facilitation Centers at tehsil level will be operationalized across the country during current financial year. The main achievements of the program are summarized in Table below, in terms of the enrolment/ outreach as well as funds disbursed to date.

Table 3.8: Physical and Financial Achievements of Nashonuma Programme During FY 2022-23

Province	Mother	Children	Beneficiaries	Amount	Amount	Total
				Total	(Mother)	(Child)
Punjab	25283	29362	54645	60116000	95711500	155827500
Sindh	72680	60456	133136	164682000	188821000	353503000
Balochistan	25166	21688	46854	60938000	66463000	127401000
KP	55082	65715	120797	137712000	226473500	364185500
Ex-FATA	5973	8934	14907	18450000	35079500	53529500
GB	7666	11931	19597	23566000	52383000	75949000
ICT	666	978	1644	1744000	4129500	5873500
AJK	4604	8226	12830	13210000	38588000	51798000
Total	197,120	207,290	404,410	480,418,000	707,649,000	1,188,067,000

3.2.4.3 Future Initiatives

Presently, unmarried young women are not part of BISP unconditional and Conditional Cash Transfer linked with Health & Nutrition. The BISP proposes a pilot programme on addressing malnutrition among adolescent girls in the targeted Nashonuma districts. This pilot will engage with adolescent girls (15-19 years) in BISP Kafalat households and will be provided them with iron folic acid supplementation with a range of related activities to improve their health and nutritional status. Its major objectives include; to contribute to reduction of anemia among adolescent girls in BISP Kafalat households; to provide weekly iron folic acid supplementation to 100,000 adolescent girls (15-19 years) within BISP Kafalat households in 6 targeted districts across Pakistan and to engage adolescent girls as “agents of change” to influence health and nutrition behaviors of BISP Kafalat households and communities in the targeted districts.

3.3 Waseelas Programs

In order to complement its unconditional cash transfer program for promoting poverty graduation of its beneficiary households BISP Besides cash transfers, BISP designed and launched a has also launched various graduation programmes for its recipients to enable them to- exit from the poverty trap. During 2011-12, the following progress has been made by these programmes:

3.3.1 Waseela-e-Haq:

Under this programme, microfinance in the form of returnable soft loans up to Rs. 300,000 are provided to recipients, selected through a monthly computerized random draw, for setting up small businesses. During the reporting period, 29 draws were held and a total of 34,807 recipients were pre-qualified. An amount of Rs. 943 million was disbursed to 6,281 recipients while 2,680 new recipients started their own businesses. It is planned to hold another 5 draws by June 30, 2012 to pre-qualify 10,000 additional recipients.

3.3.2 Waseela-e-Rozgar:

Waseela-e-Rozgar initiative was launched in 2012 to provide opportunities for short term skill development to approximately 70,000 illiterate, semi-literate and educated unemployed youth, belonging to BISP beneficiaries' households, in a year. This training would help them to secure their livelihoods and eventually lift their family out of poverty. BISP entered into agreements with 75 Training Providers having 538 public and private training institutions. Following criteria was used for selection of trainees and payment of stipend:

- One trainee selected from beneficiary's family in age group of 18-45 years.
- Trainee was allowed to select only one course out of 52 trades.
- Rs.6,000/- stipend per month paid to trainee through beneficiary on the basis of 80% attendance and 50% stipend was paid on the basis of 60-79% attendance.
- Pre-determined training fee was paid to the training providers/institutes trade wise.

Under Wasela-e-Rozgar, 58,701 beneficiaries were provided training. An amount of Rs. 1.85 billion were disbursed (Rs. 1.044 billion as stipend and Rs. 0.806 billion as training cost). However, in the year 2013, the WR initiative was re-evaluated and following shortcomings were identified:

- i. No social mobilization and career counseling.
- ii. Lack of comprehensive design documents.
- iii. No proper monitoring and evaluation.
- iv. No post training arrangements.
- v. No tracking and placement follow up.
- vi. No Handholding.

3.3.3 Waseela-e-Sehat:

Life insurance cover of Rs. 100,000 for the bread winners of BISP beneficiary families was launched from January 1, 2011. Over 3.5 million beneficiary families now have their bread earners covered under life insurance scheme launched by BISP in collaboration with State Life Insurance Corporation of Pakistan (SLIC). Over 900 cases have already been processed by SLIC during 2011-12. A comprehensive Health Insurance Scheme covering entire family of BISP beneficiary has also been piloted in District Faisalabad in April 2012. The same is planned to be extended in other districts of Pakistan in coming years.

3.4 Shock Responsive Cash Transfers

In addition to implementing its regular UCT and CCT programs, the BISP has over the years also been involved in the design and implementation of various shock responsive cash transfer programs, as directed by the Government of Pakistan. These programs have been put in place in to provide immediate support and relief to people in response to emergency situations, such as natural disasters (floods, earthquakes, etc) and other abnormal situations, using BISP's tried and tested targeting and disbursement mechanism making use of data from the NSER Survey. The major interventions in this regard include the Emergency Cash Transfer Program

3.4.1 Emergency Cash Transfer Program (COVID-19)

The COVID-19 pandemic has had a socio-economic impact at the global scale that is unprecedented in modern history, it has taken millions of lives and has overwhelmed health systems and economies across the world. It negatively impacted millions of individuals and has disproportionately affected the poor (IMF 2020). The lockdown in Pakistan adversely impacted the livelihoods of 24.89 million workers [11.37 million daily/piece rate workers in the formal and informal sectors and 13.52 million self-employed workers in the informal economy] (Pakistan Bureau of Statistics 2018). Given the average Pakistani family size of 6.45, the resulting impact was on approximately 160 million people or roughly two thirds of the country's population.

To address the ensuing economic hardship and risk of hunger, the Government of Pakistan allocated Rs. 144 billion to deliver one-time emergency cash support of Rs. 12,000 to 16.9 million families, which given family size, was envisaged to impact over 109 million people, including minorities and transgender citizens. Under this program, several categories of beneficiary households were defined, which included the following

3.4.1.1 Category I

Category I comprised the known vulnerable, i.e., the 5 million existing Benazir Kafaalat beneficiaries at that time. This included women from families with a Proxy Means Test (PMT) score of 0-16.17 in the NSER, who were regular recipients of a monthly stipend of Rs. 2,000. Their socio-economic status was triangulated with multiple administrative databases. With a monthly increment of Rs. 1,000, these women were eligible for a pooled four-month stipend of Rs. 12,000 under this emergency cash program.

3.4.1.2 Category II

Category II comprised 4 million ‘new poor’, identified on request through an SMS messaging service. Their poverty status was validated by cross-checking their Computerised National Identity Card (CNIC) numbers within the PMT scoring band of 16.18 to 38. Public announcements through media and community channels alerted those affected by COVID-19—both men and women—who then sought support by texting their CNIC number to 8171. To facilitate those without a phone, multiple text messages could be sent from one cell phone by anyone intending to assist those in need.

3.4.1.3 Category III

Category III included 3.5 million, ‘new poor’, who opted in as ‘deserving’ by raising their need at the district level. A guideline outlining the profile of potential recipients under this category was circulated to districts. This category was created because BISP’s original NSER database was created in 2011, and work on the 2019 NSER was around 30% complete at the time of implementation of this program in April 2020). Therefore, in order to address the risk that some people may have been left out of the database, districts were allowed to assemble lists of deserving individuals. Wealth proxies were used as exclusion criteria in all of the categories during the data analytics process. Provincial quotas (in terms of number of beneficiaries) in Category II and III, were calculated according to their population share in the 2017 census.

3.4.1.4 Category III-A

A sub-category of Category III labelled as Category III-A was constituted so that any province could opt for more beneficiaries, by committing their own budget. This option was availed only by Punjab, which committed resources for 0.7 million additional beneficiaries under Category III A. Category IV beneficiaries comprised of individuals that applied through the web-based portal hosted on the Prime Minister’s website. The Prime Minister’s Labour portal enabled COVID-19 job/livelihood-loss affectees to seek Emergency Cash assistance. The existing principles and processes that were deployed for Emergency Cash Category III were fully applied to this category, with two exceptions: one, individuals who had self-declared their income to be above Rs. 30,000 were excluded; secondly, provincial shares were not maintained to allow maximum number of eligible beneficiaries to benefit as per the Prime Minister’s instructions. A separate portal had to be maintained since this category was funded by the Prime Minister’s COVID Relief Fund, and a decision was taken to provide standalone visibility of details. The Prime Minister committed that for each rupee donated by donors, Rs. 4 will be committed by the Government.

3.4.1.5 Category V

Category V was created to cater for the spill over eligible lists of Category II and III. The methodology of Category III was also applied here; and for the same reason as for Category IV, provincial population shares were not maintained. (Inconsistent Table below)

During the targeting and eligibility assessment phase of this largest cash transfer program in Pakistan's history, a total of over 66 million unique CNICs were received (Table) from potential beneficiaries. The reasons for exclusions under all five categories of the program are outlined in Table .

Table 3.9: The category-wise breakdown of payments made upto September 30, 2020

Category	Female	Male	Transgender	Total
I	4,652,433	-	-	4,652,433
II	1,197,622	2,428,748	-	3,626,370
III	1,052,804	2,079,554	11	3,132,369
III-A	278,166	902,932	7	1,181,105
IV	597,356	1,053,948	8	1,651,312
V	222,247	360,635	-	582,882
Total	8,000,628	6,825,817	26	14,826,471

Table 3.10: Number of Emergency Cash beneficiaries: breakdown by federating units

	Number of eligible beneficiaries	% share in ECT	Population % (2017 census)
Punjab	7,003,260	43.18	51.57
Sindh	5,034,275	31.04	22.45
KP	2,908,352	17.93	16.65
Balochistan	800,803	4.94	5.79
AJK	273,653	1.69	1.9
GB	121,072	0.75	0.7
ICT	79,151	0.49	0.94
Total	16,220,566	100	100

3.4.1.6 Data analytics for beneficiary identification

For the purpose of targeting and data analytics methodology, BISP partnered with National Database Registration Authority (NADRA). An SMS service on 4-digit short number “8171” was established and citizens were asked to SMS their CNIC to check eligibility. In addition, a web-portal was also established.

A wealth-profiling data analytics mechanism, developed in collaboration with NADRA, was used as the basis for exclusion in all categories (See Panel 2). The ‘exclusion criteria’ or the ‘negative list’ proxied financial wealth, because during the pandemic the feasible support was limited to cash transfers. This was in line with best practices in emergency targeting, to minimise the risk of exclusion.

Box 1: Wealth proxies used as exclusion criteria in the data analytics process for “self” and spouse”

- International travel
- Ownership of a Car (motorcycle owners were not excluded)
- Income level above Rs. 50,000 declared by the Federal Board of Revenue (tax collecting agency)

- Average monthly telephone bill over 6 months (landline and mobile phone)
- Expensive processing of passports through NADRA Executive Centres
- Expensive processing of national identity card numbers by three or more members of the family through the NADRA Executive Centres
- Ownership of land (in the case of Punjab province only, where digitised data existed)
- Government employment (this does not include data of the autonomous agencies)

In all eligible categories, CNICs of eligible beneficiaries were sent to partner banks, where their accounts were opened after due diligence under the Know-Your-Customer (KYC) procedures and other financial security checks. The list of beneficiaries was therefore, as per the State Bank of Pakistan's requirements, passed through the filters of various banned individuals' list (Anti Money Laundering [AML], Financial Action Task Force [FATF], United Nations [UN]) and it was ensured that bank accounts were opened only for cleared individuals. Once cleared, an SMS was sent to eligible beneficiaries instructing them to collect payment through biometric touch points on a specific given date. Payments were staggered so that only a specific number of individuals in each Union Council would be mobilized to collect payment each day, in view of COVID-19 safeguards.

3.4.2 Ehsaas Emergency Cash Programme Round-2

Keeping in view the increase in economic hardships due to the 3rd wave of Covid-19, second phase of the Ehsaas Emergency Cash Program (EECP-2) was launched in June, 2021. As of end-December 2021, an amount of Rs. 29.74 billion had been disbursed to 2.48 million beneficiaries (other than Kafaalat beneficiaries) @ Rs. 12,000/- per beneficiary. Recipients of cash assistance under EECP-2 can only be ever-married women of the eligible families, with valid CNICs.

Table 3.11: Summary of Funds Disbursed under EECP-2 (As of 30-12-2021)

Province/Region	Beneficiaries Served	Amount Withdrawal (Rs. in million)
AJK	31,552	378.62
Baluchistan	109,955	1,319.98
GB	16,139	193.67
Islamabad	4,028	48.33
KPK	555,262	6,663.23
Punjab	1,166,498	13,996.38
Sindh	595,371	7,143.55
Total	2,478,805	29,743.76

3.4.3 Flood Relief Programme

Unexpectedly high rain during the monsoon season in June-July 2022 caused unprecedented flooding in major parts of the country, covering almost entire

province of Sindh. Hundreds of thousands of people were not only displaced from their homes but also suffered loss of lives, cattle and crops. To mitigate the effects of this large-scale catastrophe, the Government adopted a multi-pronged approach to provide relief to the affected population. One of the most important emergency relief measure was the immediate provision of cash grant of Rs. 25,000/- per family in the flood affected districts notified by National Disaster Management Authority (NDMA). The said cash relief assistance was provided through Benazir Income Support Programme (BISP), wherein identification of eligible families was done through National Socio-economic Registry (NSER) and disbursements were made through BISP Payment system through its partner banks i.e. HBL and Bank-Alfalah. Special arrangements were made to disburse the cash relief assistance through campsites established in coordination with provincial governments. Around 2.8 million families were provided cash assistance @ Rs. 25,000/- per family for which federal Government allocated Rs. 70 billion.

3.4.4 Sindh Wheat Seed Subsidy Programme:

In the wake of unprecedented floods across the country in June-July 2023, Government of Sindh (GoS) approached Federal Government to provide wheat seed subsidy to wheat growing farmers of Sindh affected by the floods. As per decision of Federal Cabinet, it was decided to disburse cash assistance @ Rs. 5,000/- per acre to the farmers identified by GoS, through BISP. An amount of Rs. 8.39 billion was provided to BISP by GoS for disbursements under the programme. The disbursements are planned to be made in two phases. First phase of the programme was initiated in March, 2023 under which farmers upto 12.5 acre of total land holding are being disbursed cash assistance. The second phase has been initiated in May, 2023 under which cash assistance is being disbursed to farmers with total land holding upto 25 acre.



3.4.5 Sindh Wheat Flour Subsidy Programme

To cushion the masses against increase in wheat flour prices in the holy month of Ramazan, Government of Sindh (GoS) decided to provide cash assistance @ Rs. 2,000/- per beneficiary to families of Sindh falling under bottom three quintiles, instead of distributing free wheat flour. GoS approached BISP with the request to provide said assistance through BISP payment channel. GoS has provided approx. 13.8 Billion to BISP for disbursement of cash assistance to around 6.9 million families

of Sindh under the programme. The disbursement were finally initiated in March, 2023.



4 Targeting and Enrollment Mechanism

4.1 Identification through Parliamentarians

At the beginning of the Benazir Income Support Programme (BISP) in July 2008, there was a lack of reliable data available for identifying the underprivileged and vulnerable population in the country. To address this challenge, the task of identifying potential beneficiaries was assigned to the Parliamentarians, which was referred to as Phase-I of targeting. Under Phase-I, application forms were distributed equally among the Parliamentarians. Each member of the National Assembly and Senate received 8,000 forms, while each member of the Provincial Assemblies received 1,000 forms, regardless of their party affiliation. This distribution ensured a fair and balanced representation of beneficiaries across different political constituencies. The distributed application forms were then collected and subjected to a verification process using the National Database & Registration Authority (NADRA) database. NADRA's database provided essential information and allowed for the verification of the details provided in the application forms. Out of the total 4.2 million application forms received, 2.2 million families were identified as eligible for cash transfers based on the verification process. These families met the criteria and were considered underprivileged or vulnerable, qualifying them for the assistance provided by BISP. This initial approach relied on the involvement of Parliamentarians to identify potential beneficiaries. While it provided an opportunity to reach a large number of households, it also had limitations due to its reliance on the availability and participation of Parliamentarians. Additionally, the identification process was subjective to some extent, as it depended on the Parliamentarians' understanding of the needs and conditions of their respective constituencies. Over time, BISP recognized the importance of incorporating more objective and data-driven methods for beneficiary selection. This led to the development and implementation of the Poverty Scorecard questionnaire and the refined biometric verification system (BVS) to improve the targeting process and ensure greater transparency, objectivity, and accuracy in identifying underprivileged individuals.

4.2 Poverty Scorecard Survey 2010-11

To avoid the shortcomings of an unscientific approach and to introduce objectivity and transparency in the selection process, the Benazir Income Support Programme (BISP) implemented a mechanism called the Poverty Scorecard (PSC) questionnaire. This approach was developed by a technical committee in 2009. The Poverty Scorecard questionnaire was designed based on the concept of Proxy Means Testing (PMT), which utilizes proxy variables to determine the poverty status of households. Proxy variables are indicators that are correlated with poverty and can be used to estimate a household's socio-economic conditions. During the National Rollout in 2010-11, the PSC questionnaire was employed to identify and select the deprived and poorest families. This process involved conducting Paper and Pencil Personal Interviewing (PAPI) with the households. The PSC questionnaire was administered to collect relevant information and assess the socio-economic status of each household. Partner firms were engaged to assist in the implementation of the National Rollout. These firms worked together to cover a significant number of households, with approximately 27 million households surveyed. This coverage

accounted for approximately 85% of the national population. By utilizing the Poverty Scorecard questionnaire and conducting extensive household surveys, BISP aimed to ensure a more objective and data-driven approach in identifying and selecting underprivileged individuals. This methodology helped to address the shortcomings of previous selection processes and bring greater fairness, transparency, and accuracy to the identification of beneficiaries.

The implementation of the Poverty Scorecard questionnaire and the National Rollout marked a significant step forward in targeting assistance to those who are truly in need. By using scientific methods and reliable data, BISP sought to provide support to the most deprived and economically vulnerable segments of the population, fostering inclusive social welfare and poverty alleviation.

The enumeration statistics of the 2010-11 National Rollout provide insights into the scale and scope of the process. The statistics includes information such as the number of households surveyed, the geographic distribution of the coverage.

Province	No. of Districts	HHs Covered (in millions)	Estimated Population (in millions)	Population Covered (in millions)	Population Covered (in millions)
Punjab	39	14.9	96.4	81.2	86.3
Sindh	27	6.6	38.9	34.3	88.1
KPK	24	3.6	26.9	21.3	79.1
Baluchistan	30	1.1	7.6	6.1	79.4
AJ&K	10	0.6	3.9	3.5	88.5
GB	7	0.2	1.3	1.1	89.4
FATA	7	0.4	3.7	3.1	83.0
Total	144	27.4	177.9	150.6	84.6

4.3 National Socio-Economic Registry (NSER) Update

Socio-economic registries used for identifying the underprivileged population often encounter errors at both the design and implementation levels. These errors can arise from various factors, such as incomplete or inaccurate data collection, inadequate assessment criteria, or deficiencies in data management processes. Another crucial aspect to consider is the frequency at which these registries are updated.

Conventionally, socio-economic registries are updated every 3 to 5 years. However, the existing database of the Benazir Income Support Programme (BISP) required recertification and regular updates to ensure its effectiveness in targeting underprivileged individuals. The BISP database, which was established during the 2010-11 national roll-out, had not been updated since resulting in a static database with no follow-up surveys or updates.

To address this issue, in July 2015, the BISP Board approved the update of the 2010-11 database, leading to the development of the National Socio-Economic Registry (NSER) in principle. The NSER aimed to transform the existing database into an active socio-economic registry that would be regularly updated to improve targeting accuracy.

The update of the NSER was planned to be carried out in two phases: Phase-I, which served as a pilot phase, and Phase-II, which encompassed the national roll-out.

The update process employed the Computer Assisted Personal Interviewing (CAPI) technique. CAPI involved using electronic devices i.e. tablets to conduct interviews with individuals or households, enabling efficient data collection and management.

The Phase-I pilot phase allowed for testing and refining the update process in a limited area or sample, ensuring that any issues or challenges were addressed before the full-scale national roll-out in Phase-II. This phased approach facilitated a more systematic and controlled implementation of the update process, reducing the potential for errors or disruptions.

By updating the database through the NSER initiative, BISP aimed to create a more reliable and accurate socio-economic registry. Regular updates would enable the identification and inclusion of new beneficiaries who might have previously been excluded or overlooked. Additionally, the NSER update would help address any changes in the socio-economic conditions of households over time, ensuring that assistance was provided to those who genuinely required support.

The implementation of the NSER update process through CAPI technology demonstrated BISP's commitment to improving the targeting mechanism and enhancing the accuracy of beneficiary selection. By embracing more sophisticated and efficient data collection methods, BISP aimed to better serve the underprivileged population and ensure that resources were directed towards those who needed them the most.

4.4 PMT and Enhancement in Assessment Indicators for NSER

It also became inevitable to update the basis of poverty scorecard i.e. PMT along with the updating exercise of BISP's database. This was necessary as with the passage of time, changes took place in numerous household indicators. The originally devised PMT formula, that forms the basis of 'Households' Poverty Score', developed in 2009, included 23 indicators that fall under the following three broad categories:

- I. Household and individual characteristics
- II. Ownership of durable goods and housing characteristics
- III. Ownership of productive assets, especially land holding, livestock and farm equipment

Using Household Integrated Economic Survey (HIES), the PMT formula was updated and enhanced with improved and new proxy indicators and their weights. The latest PMT formula includes 43 proxy indicators and address following objectives / concerns:

- **Under representativeness of urban poor:** In previous formula, urban poor were under-represented. The new formula has addressed this issue.
- **Geographic Diversity:** Revising the PMT formula allowed taking into account the location effects in order to bring the regional coverage of the programme closer to the current distribution of poverty across regions.
- **Expansion in Proxy Indicators:** The updated PMT formula includes an expanded set of variables compared to the earlier version.

- **Improved weights of proxy indicators w.r.t. time and socio-economic conditions of households:** It is highly likely that the ‘weights’ of the proxy indicators have changed over time. HIES 2013/14 provided an opportunity to update both the indicators and their weights in PSC, for a better targeting of the programme.
- **Coherence & Consistency with National Surveys:** BISP is a very comprehensive and National social safety net program and it is now possible for departments both at federal and provincial levels to use one single database for implementing their programmes and interventions. The database is also available to private sector under BISP’s Data Sharing Protocols. Along with this, NSER is consistent with multiple national surveys as the variables included in PSC corroborates/corresponds to HIES, Pakistan Social and Living Standard Measurement Survey (PSLM) and Census.

4.5 NSER Pilot Phase

To ensure effective targeting of the underprivileged population, the Benazir Income Support Programme (BISP) adopted a comprehensive mechanism that involved updating the National Socio-Economic Registry (NSER) through a combination of self-registration desks and door-to-door surveys. The process began with a pilot phase in 2017, during which 17 districts were selected for the NSER update.

The selection of districts for the pilot phase was carefully planned, taking into account the heterogeneities and diverse characteristics of the country. Factors such as remote areas, poverty rates, population density, and other relevant indicators were considered in order to achieve optimal results. This strategic stratification aimed to capture a representative sample of the underprivileged population across different regions. However, in the case of Mirpur and Gilgit districts, the NSER survey could not be initiated due to the non-issuance of a ‘No Objection Certificate (NOC)’ to the Partner Organizations (POs) by security agencies. In light of this situation, the BISP management made the decision to shift these districts to the NSER national roll-out phase.

The NSER national roll-out encompassed a broader implementation across the country, ensuring that the update process was not hindered by administrative or security challenges in specific districts. By including Mirpur and Gilgit in the national roll-out, BISP aimed to ensure comprehensive coverage and consistency in updating the NSER database. The update process involved a combination of self-registration desks and door-to-door surveys. Self-registration desks provided individuals and households with the opportunity to voluntarily register themselves as potential beneficiaries. The door-to-door surveys involved BISP representatives visiting households to collect data and verify the socio-economic conditions of the residents.

Through this mechanism, BISP aimed to gather accurate and up-to-date information on the underprivileged population. By incorporating both self-registration and door-to-door surveys, the program sought to capture a wide range of individuals and households, ensuring inclusivity and minimizing the chances of exclusion.

The selection process for the pilot phase and the subsequent shift to the national roll-out phase demonstrated BISP’s flexibility and adaptability in response to challenges encountered during implementation. The commitment to updating the NSER through comprehensive surveys and self-registration reflected BISP’s

dedication to refining the targeting mechanism and ensuring that resources were effectively directed to those who truly required assistance.

By expanding the NSER update process to cover a larger population, BISP aimed to create a robust and reliable database that accurately represented the socio-economic conditions of the underprivileged population. This data-driven approach facilitated the fair and efficient allocation of resources, contributing to the goal of poverty reduction and inclusive social welfare.

4.6 NSER National Rollout

National Roll-out of NSER was started in January 2019. BISP divided 140 remaining districts, across country, into 8 clusters. During 2019 BISP's NSER Wing updated NSER operations' manual and acquired an approval from BISP Board. This manual serves as a guideline for all internal and external operations including door-to-door survey through POs. NSER procured the services of survey firms to execute door-to-door CAPI survey in these 140 remaining districts. After a technical and financial competitive bidding, three Partner Organizations i.e. Aurat Foundation (AF), Sustainable Development Policy Institute (SDPI), and Rural Support Programmes Network (RSPN) were allotted Cluster 1 & 5, Cluster 2 & 3, and Cluster 4, 6, 7 & 8 respectively. RSPN however, could not obtain 'No Objection Certificate (NOC)', for CAPI data collection, from concerned departments to execute this survey for cluster 4 & 8. Similarly NOC was not awarded for AJK and paper-based data collection NOC was revoked for Districts of Narowal and Sialkot in Cluster-1 for Aurat Foundation due to -security reasons. HERE the transition from Partner Firms to BISP taking lead in the field and providing TOTs to school staff itself is missing. The entire coordination and training mechanism and how it was rolled out the survey in KPK, GB and newly merged areas is not explained. It is pertinent to mention that door-to-door (D2D) survey with this scale requires a large number of human resources to be trained in order for them to understand the intricacies of operations involved. NSER Wing trained more than 700 master trainers including resources from partner organisations as well as BISP's field staff. These master trainers, through cascade trainings, further trained data collection staff including supervisors, listers and enumerators. In order to expedite data collection, a massive public information campaign was also launched before the commencement of data collection in each cluster. Electronic and print media were used in this regard. During social mobilization through POs, NSER Wing distributed 25 million leaflets, whereas 2.5 million posters and 28,000 banners were also displayed in all 140 districts. Through an online dashboard, NSER monitored the quality of data collection and used Census 2017 data to analyse and perform consistency checks for data collected in field. NSER team also conducted extensive field monitoring and collectively 432 person days were spent for field monitoring of ongoing data collection activities.

During the same year, NSER Team has also met two major Disbursement Linked Indicators (DLIs) for DFID and World Bank. The first DLI is 'Enhanced capacity of the NSER Unit and data accessibility' for DFID and the latter being 'At least 10% of BISP beneficiary households have updated PSC information in the NSER' for World Bank.

4.7 NSER - Dynamic Registry

In October 2019, BISP's Board approved the scheme of establishment of NSER as a Dynamic Registry for registration of missed-out households, data update & enrolment of new beneficiaries. This initiative was highly inevitable to answer the following two questions:

- I. What is the mechanism to cater a change in socio-economic status of households?
- II. What is the mechanism to include households with a grievance that they were not included in previous rollout(s)? During national roll-out January 2019, several factors contributed to a low coverage of 36%. These include non-issuance of NOCs for partner organizations (Especially in AJK, GB and Erstwhile-FATA), households' refusals retention rates for data collection staff. To overcome these challenges and to achieve nationwide carpet coverage, as a first step towards Dynamic Registry, NSER resorted to NSER National Rollout Phase-1 approach where self-registration was done through data collection desks. Phase-I of a desk-based data collection was launched in 15 districts of the Pilot Phase in collaboration with NADRA as was approved in 34th BISP board's meeting minutes. These desks are established in centers called 'Ehsaas Registration Centers (ERCs)' and will be extended to rest of the country in next phases. Initially, these centers will be operated for at least 120 days and later shifted to BISP Tehsil offices for ultimate adoption of Dynamic Approach for National Socio-Economic Registry throughout the country. For cluster 4 and 8 where NOCs were not awarded, a census model was proposed. In this regard, services of provincial government Punjab will be hired for Geographic Information System (GIS) mapping of tehsils, blocks and enumeration areas. Services of teacher will be hired through concerned provincial governments and education departments and these teachers will act as enumerators for a complete sweeping of enumeration areas. Each teacher will be assigned one or two enumeration areas for collection of data. Data collection will be done using state of the art hardened/secured tablets. A Project Management Unit (PMU) will be established in National Socio-Economic Registry (NSER) wing to carry out external Monitoring & Evaluation (M&E). Internal monitoring of door to door data collection exercise will be carried out by provincial governments through their officers supervised by BISP PMU. PBS will also be taken on board for technical Human Resource (HR) to assist BISP's NSER Wing in technical matters as PBS has experience of carrying out data collection through teachers for the national censuses. It is also planned that in light of recommendations of the security agencies, data will be collected through hardened tablets with all security features provided by the security agencies.

Data Collection Progress (THESE ARE OLD FIGURES of JULY 2020, however in our report we should ideally include updated figures) The total number of estimated households of the country was 33.3 million whereas 13.95 million households have been surveyed/covered by the end of this reporting period . This brings the overall percentage coverage at 42%. The following table represents data collection progress achieved in the NSER update by June 21, 2020.

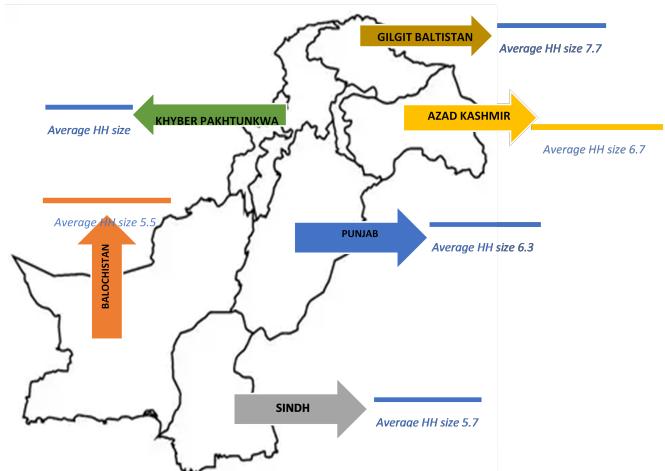
4.8 Data Sharing

BISP data/NSER is used for provision of BISP benefits, including but not limited to, cash transfers, conditional and unconditional, to eligible beneficiaries. Additionally, BISP data is used by many other social development programs/initiatives launched by various provincial and federal governments, donors, INGOs, NGOs and research organizations. This data sharing serves objective(s) as mentioned above where all departments (more than 200 social safety programmes) from public sector, under the umbrella of Ehsaas Programme, as well as other private organization can benefit from this dynamic registry. Most recently, the Prime Minister's Ehsaas Kifalat Programme has used the BISP's data, for financial and digital inclusion of women through the 'One Woman One Bank Account' policy. There is a well-defined Data Sharing Protocol approved by BISP Board which allows data sharing with concerned stakeholders including Federal and Provincial Government Institutions, Research Organizations, NGOs/INGOs, etc. to use data for the social safety net targeting poor and vulnerable persons. As per above referred protocol, a Data Sharing Committee (DSC) has been constituted to assess the data request submitted by the requesting organisation(s). The purpose of data request is minutely discussed in DSC meeting and only the most relevant data is shared after signing of data confidentiality agreement by the concerned organization. So far more than 100 organizations/researches have benefitted from BISP's data till date. Some of the key users of the data are listed as below:

- Prime Minister Health Insurance Programme (PMNHIP)
- Prime Minister's Interest Free Loan (PMIFL) schemes
- Various programmes of Punjab Social Protection Authority
- Social Protection Unit, Social Welfare Department, Government of Sindh
- Pakistan Poverty Alleviation Fund (PPAF)
- Pakistan Education Foundation (PEF)
- Southern Punjab Poverty Alleviation Project (SPPAP)
- Pakistan Bait-ul-Mal (PBM) for child support programme and orphans
- ACTED Pakistan

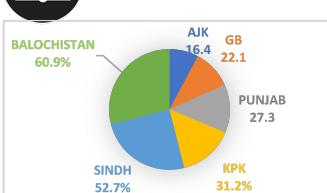
NSER SURVEY DATA INSIGHTS

Average Household Size by Provinces & Region



Out of School Children (OOS)

OOS Children Pakistan Average 35.1 %



Gender of OOS Children

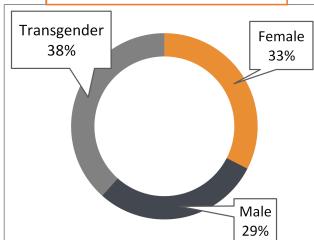


Figure 4.1: NSER Survey Data Insight

5Payment Mechanism

Since the inception of the program, BISP has made several reforms to improve its approach to payment delivery, to ensure that the funds actually reach the selected recipients. Initially, the Pakistan post office distributed cash to recipients. This system faced high levels of leakage and petty corruption, with reports of postmen demanding a portion of the cash from recipients before they would deliver the funds (Khan and Qutub 2010; Cheema et al. 2014, 2015). For this reason, the government began transitioning to debit card-based payments in selected districts in 2012. Under this system, beneficiaries received a card (Figure 1) that could be used at an ATM or a human payment agent known as a “Point of Service (PoS)”; PoS agents are typically mobile money agents who provide this service as a side activity. While the debit card system is thought to have reduced petty corruption compared to the post office system, it raised new delivery challenges. For example, beneficiaries frequently lost cards or forgot their personal identification number (PINs). When this occurred, the card would be blocked and beneficiaries faced a difficult process to get it unblocked through the BISP office (Cheema et al., 2015). Cards and PINs were also misappropriated from beneficiaries through theft or fraud. For example, reports suggest that fraudsters were able to purchase BISP cards and PINs from beneficiaries; offer assistance with withdrawing funds, and then abscond with the card; or steal the card and forge the beneficiary’s signature, in cases where a payment agent’s machine was not PIN-enabled and a signature was used for verification. The debit card-based system also allowed beneficiaries’ family members to withdraw funds on their behalf. In some cases, this may have added convenience; in others, it may have resulted in male family members intercepting (and controlling) funds intended to be delivered to female recipients. In summary, neither the post office nor the debit card system fully addressed the concerns of funds being leaked or intercepted by actors outside or within the target beneficiary’s household. In 2016, our baseline year, once the debit card system had been rolled out across the country, only 20 percent of women in our sample reported that they collected the transfer themselves. Moreover, 18 percent of beneficiaries reported that they (or the family members or agents who withdrew money on their behalf) had to unwillingly pay an illegal “fee” or side payment the last time they received funds (an average of 213 Pakistan rupees [PKR] before BVS). Only 87 percent of beneficiaries received three or more of the expected four yearly payments, and on average they received only about 74 percent of the total yearly expected payment amount (approximately 13,906 PKR out of 18,800 PKR) (Cheema et al. 2016a).

5.1 Payment Mechanisms deployed around the world

Social safety net programs are crucial for providing financial assistance and support to vulnerable populations worldwide. These programs aim to alleviate poverty, reduce inequality, and promote social well-being. One key aspect of such programs is the mechanism through which payments are disbursed to beneficiaries. Some of the different payment mechanisms used around the world for social safety net programs, highlighting their features, benefits, and challenges are discussed below:

- 1. Cash Payments:** Cash payments involve the direct transfer of funds to beneficiaries in the form of physical cash. This mechanism is widely used due to its simplicity and ease of implementation, especially in areas with limited

banking infrastructure. It provides recipients with the flexibility to use the funds as they see fit. However, cash payments can be prone to theft, fraud, and the risk of loss or damage.

Example Program: Bolsa Família, Brazil

- Bolsa Família is a conditional cash transfer program in Brazil that aims to alleviate poverty and promote education and healthcare. •
 - Beneficiaries receive monthly cash payments directly into their bank accounts or through a government-issued social welfare card.
 - The program has successfully reached millions of families, contributing to poverty reduction and improved social outcomes.
2. **Bank Transfers:** Bank transfers involve the electronic transfer of funds from a government agency or a designated financial institution to the beneficiaries' bank accounts. This mechanism offers several advantages, such as enhanced security, reduced administrative costs, and increased financial inclusion. Beneficiaries can access their funds through ATMs, online banking, or by visiting a bank branch. Bank transfers are commonly used in countries with well-established banking systems.

Example Program: Familias en Acción, Colombia

- **Familias en Acción** is a conditional cash transfer program in Colombia that aims to alleviate poverty and improve access to education and healthcare for vulnerable families.
- Cash transfers are made through direct bank transfers, ensuring efficient and secure delivery of funds to eligible beneficiaries.

Universal Credit, United Kingdom

- **Universal Credit** is a social assistance program in the United Kingdom that combines multiple welfare benefits into a single payment.
 - The program utilizes bank transfers to deposit the monthly payment into the beneficiary's bank account, supporting individuals and families in need.
3. **Electronic Payment Cards:** Electronic payment cards, often referred to as "benefit cards" or "e-cards," are pre-loaded with the allocated funds and can be used like debit cards. Beneficiaries can make purchases at authorized retailers or withdraw cash from ATMs. E-cards provide a convenient and secure method of payment, reduce the risk of fraud, and enable tracking of expenditure patterns. However, their effectiveness may be limited in areas with inadequate technological infrastructure.

Example Program: Electronic Benefits Transfer (EBT), United States

- **EBT** is a system used in the United States for delivering benefits like Supplemental Nutrition Assistance Program (SNAP) benefits (formerly known as food stamps) and Temporary Assistance for Needy Families (TANF) funds.
- Beneficiaries receive EBT cards that function like debit cards, allowing them to purchase eligible food items from authorized retailers.

- EBT has streamlined the distribution process, enhanced convenience for beneficiaries, and reduced the stigma associated with traditional paper food stamps.
4. **Mobile Money:** Mobile money refers to the use of mobile phones for financial transactions, including sending and receiving money. This mechanism has gained popularity in regions where mobile phone penetration is high but access to traditional banking services is limited. Beneficiaries receive their funds in a mobile wallet and can make payments or transfer money through their phones. Mobile money platforms provide convenience, particularly in rural and remote areas, but require reliable network coverage and digital literacy.

Example Program: M-Pesa, Kenya

- **M-Pesa** is a mobile money platform widely used in Kenya for various financial transactions, including social safety net programs.
 - Programs like Kenya's Hunger Safety Net Programme leverage M-Pesa to deliver cash transfers to vulnerable households in arid and semi-arid regions.
 - Mobile money platforms like M-Pesa have increased accessibility, particularly in areas with limited banking infrastructure, and accelerated the disbursement process for beneficiaries.
5. **Vouchers and Coupons:** Vouchers and coupons are a non-cash payment mechanism commonly used for specific goods or services. Beneficiaries receive paper or electronic vouchers that can be redeemed at authorized retailers or service providers. This approach ensures that funds are utilized for their intended purpose, such as food, healthcare, or education. However, voucher systems may face challenges such as logistical issues, limited vendor acceptance, and the potential for fraud or misuse.

Example Program: Education Vouchers, Colombia

- Colombia's education voucher program, known as Sisbén, provides vouchers to low-income families to cover education-related expenses.
 - Beneficiaries receive vouchers that can be redeemed at participating educational institutions, ensuring access to quality education.
 - Vouchers offer targeted assistance, promoting educational opportunities for disadvantaged students while fostering accountability and choice.
6. **In-kind Assistance:** In-kind assistance involves providing goods or services directly to beneficiaries instead of cash transfers. For instance, food stamps or food distribution programs ensure that individuals have access to essential nutrition. This approach is advantageous as it addresses specific needs and reduces the risk of misallocation. However, in-kind assistance can be administratively complex, may lack flexibility, and may not address other critical needs beyond the provided goods or services.

Example Program: National Health Service (NHS), United Kingdom

- The NHS in the United Kingdom provides comprehensive healthcare services, including in-kind assistance to its beneficiaries.
- Medical treatments, consultations, hospital care, and prescription drugs are provided directly to individuals without cash transfers.

- In-kind assistance through the NHS ensures equitable access to healthcare services, although it requires significant administrative coordination and funding.

The payment mechanisms used for social safety net programs vary around the world, each with its advantages and challenges. Cash payments, bank transfers, electronic payment cards, mobile money, vouchers, and in-kind assistance all play significant roles in ensuring the effective delivery of benefits to vulnerable populations. The choice of payment mechanism should consider factors such as local infrastructure, financial inclusion levels, beneficiary preferences, program objectives, and the potential for fraud or misuse. Governments and policymakers should continually evaluate and adapt these mechanisms to improve efficiency, transparency, and the overall impact of social safety net programs.



Figure 5.1: BISP Payment Mechanism (2008-2023)

5.2 Pakistan Post

The payment disbursement method adopted by the Benazir Income Support Programme (BISP) in collaboration with Pakistan Post has undergone changes over time. Initially, when BISP was established in 2008, the payment process involved the generation of payment data by BISP, which was then forwarded to Pakistan Post. Pakistan Post would print money orders based on the provided data and deliver them to the doorsteps of the beneficiaries. However, this method had several issues and limitations.

One of the major issues with the money order system was the extended delivery time. It used to take at least 90 days for the entire process to be completed. This delay was primarily due to the manual handling of payment orders, printing, and physical delivery by Pakistan Post. The lengthy delivery time meant that beneficiaries had to wait for a considerable period to receive their payments, causing inconvenience and financial difficulties. Additionally, beneficiaries may be compelled to travel to the Post Office in cases where the Post Office/Postman was unable to deliver payments at the doorstep of the beneficiary due to various reasons.

Another challenge was the late reconciliation of funds. Since the payment data was generated by BISP and forwarded to Pakistan Post, there could be delays in matching the payment records with the actual disbursements. This discrepancy in reconciling the funds led to inefficiencies in the payment process and could potentially result in errors or delays in payment distribution.

Furthermore, the absence of an automated complaint management system added to the difficulties faced by beneficiaries. In case of any issues or complaints regarding the money order payments, there was no streamlined mechanism for beneficiaries to report and resolve their problems. This lack of an automated system meant that complaints had to be dealt with manually, causing additional delays and complexities.

To address these issues, BISP gradually transitioned from the money order system to other more reliable modes of payment. The shift was aimed to streamline the payment process, reduce delivery times, and enhance transparency.

5.3 Mobile Banking

The payment disbursement method adopted by the Benazir Income Support Programme (BISP) through the Benazir Smart Card involved the collaboration of multiple entities, including the National Database and Registration Authority (NADRA) and United Bank Limited (UBL). This mode of payment was introduced in 2010 in four districts: Multan, Mianwali, Mirpurkhas, and Sanghar.

Under this method, NADRA was responsible for the biometric verification of BISP beneficiaries and the issuance of the Benazir Smart Card. The Smart Card served as an identification and payment card for the beneficiaries. On the other hand, UBL was responsible for opening bank accounts for the beneficiaries and facilitating the disbursement of funds.

The Benazir Smart Card system aimed to streamline the payment process and enhance financial inclusion for underprivileged individuals. By linking the card to a bank account, beneficiaries could access their funds conveniently and securely. The Smart Card also provided a means of identification, ensuring that only eligible beneficiaries could access the assistance.

In 2016, all Smart Card districts were converted into the Biometric Verification System (BVS) mode. This conversion involved integrating the biometric verification process directly into the Smart Card system. With BVS, beneficiaries had to undergo biometric authentication using their fingerprints or other unique identifiers to access their funds, adding an extra layer of security and preventing any misuse or fraudulent activities.

However, there were certain issues associated with the payment through the Benazir Smart Card. One major challenge was the insufficient infrastructure of the country's banking system to support smart card-based withdrawals at ATMs. This limitation restricted the use of the Smart Card primarily to agent locations, where beneficiaries could withdraw cash or make payments. The limited availability of ATMs that could process smart card transactions hindered the convenience and accessibility of funds for the beneficiaries.

To address this issue, efforts were made to expand the ATM network and improve the infrastructure to support smart card-based transactions. This involved collaboration between BISP, NADRA, UBL, and other stakeholders to enhance the

banking infrastructure across the country, making it easier for beneficiaries to access their funds through ATMs.

Despite the challenges, the introduction of the Benazir Smart Card system played a significant role in improving the efficiency and transparency of payment disbursements. It reduced the reliance on physical cash/money order and provided beneficiaries with a secure and convenient means of accessing their funds. The integration of biometric verification further enhanced the authentication process, minimizing the potential for fraud or misuse.

5.4 Benazir Mobile Banking

The payment disbursement method adopted by the Benazir Income Support Programme (BISP) through Benazir Mobile banking aimed to provide financial assistance to underprivileged individuals using mobile phone technology. This method was initially tested in five districts, namely Rawalpindi, Islamabad, Larkana, Layyah, and Batagram.

Under this model, the National Database and Registration Authority (NADRA) was responsible for verification services, ensuring that only eligible beneficiaries received the assistance. Banks were involved in the process by opening bank accounts for the beneficiaries, while their partner telecommunication companies (Telcos) were responsible for issuing mobile handsets and SIM cards to the beneficiaries.

The initiative was introduced in 2011 and later converted to either the Benazir Debit Card (BDC) or Biometric Verification System (BVS) modes. These conversions aimed to enhance the functionality and security of the payment system.

However, there were several issues related to payments through Benazir Mobile banking. One major challenge was the beneficiaries' difficulty in using mobile phones due to illiteracy. Many underprivileged individuals faced challenges in operating the mobile phones and understanding the necessary procedures to access their funds. This posed a barrier to their ability to independently manage their financial transactions.

Another issue was the instances of beneficiaries selling their mobile phones. Some beneficiaries, facing financial difficulties, resorted to selling their mobile handsets to meet their immediate needs. This practice jeopardized their ability to access the funds and utilize the mobile banking system effectively.

Furthermore, payment withdrawals were only possible at agents' locations. Unlike the traditional banking system where beneficiaries could withdraw funds from ATMs or bank branches, the mobile banking system limited the withdrawal options to designated agents' locations. This restriction may have caused inconvenience for beneficiaries who had to travel to these locations to access their funds.

While the implementation of Benazir Mobile banking faced certain challenges, it provided an opportunity to leverage mobile phone technology to extend financial services to underprivileged individuals.

5.5 Benazir Debit Card

The payment disbursement method adopted by the Benazir Income Support Programme (BISP) through the Benazir Debit Card (BDC) aimed to provide financial assistance to underprivileged individuals in a more convenient and secure manner. This mode was rolled out in over 124 districts across Pakistan.

Under this method, the National Database and Registration Authority (NADRA) played a crucial role in providing verification services to ensure that only eligible beneficiaries received the assistance. Six banks were involved in the process and were responsible for opening bank accounts for the beneficiaries, issuing personalized debit cards, and facilitating the disbursement of funds.

The BDC beneficiaries had the flexibility to withdraw their funds through ATMs as well as through Point of Sale (POS) agents. This provided multiple options for beneficiaries to access their funds, depending on their convenience and availability of the services. The initiation of the BDC mode began in 2012 and was gradually converted to the Biometric Verification System (BVS) mode since 2016. The transition to BVS aimed to enhance the security and authentication process by integrating biometric verification, such as fingerprints or other unique identifiers, into the payment system. However, there were several issues related to payments through the Benazir Debit Card system. One major challenge was un-personalized cards, which created opportunities for impersonation. Un-personalized cards could potentially be misused or stolen, allowing unauthorized individuals to access the funds meant for beneficiaries. This issue highlighted the importance of personalized cards to ensure secure and accountable disbursements.

Another challenge was the insufficient number of touchpoints available for beneficiaries. This resulted in congestion and long waiting times during the initial days of disbursement. The limited number of ATMs and POS agents created inconvenience for beneficiaries, especially those residing in areas with limited access to financial services.

Furthermore, frequent complaints and service quality issues were reported regarding card issuance, re-issuance, and PIN issuance. Delays or errors in these processes led to frustration and difficulties for beneficiaries in accessing their funds. Addressing these complaints and improving the service quality in card-related procedures became essential to enhance the overall experience of the beneficiaries.

5.6 Bio-Metric Verification System

The payment disbursement method adopted by the Benazir Income Support Programme (BISP) through the biometric verification system (BVS) aimed to enhance transparency, efficiency, and accountability in the payment process. The BVS mechanism was piloted in District Larkana in March 2015 and later rolled out across the country from July 2016.

The BVS system offered a convenient and user-friendly approach to verify the identity of beneficiaries. It required the beneficiary to present their Computerized National Identity Card (CNIC) and undergo biometric verification at the Point of Sale (POS) during payment disbursement.

The introduction of the BVS system brought several advantages to the payment process. Firstly, it enhanced transparency by ensuring that only eligible beneficiaries received the assistance. The biometric verification process minimized the risk of

fraud or identity theft, as each individual's unique biometric data was matched against their registered records.

The BVS system also provided proof of life of beneficiaries in real-time. By verifying their biometric information, the system ensured that the beneficiaries were physically present during the payment disbursement. This feature helped to prevent instances of impersonation or misuse of funds.

Another significant advantage of the BVS system was the elimination of the middleman culture. By directly verifying the beneficiaries through their biometric data, the system reduced the reliance on intermediaries or agents in the payment process. This streamlined the disbursement mechanism and minimized the potential for corruption or misappropriation of funds.

The success of the BVS pilot in District Larkana led to its nationwide implementation. The system's convenience, enhanced transparency, and real-time authentication prompted BISP to expand its adoption across the country. This expansion aimed to ensure a standardized and efficient payment disbursement method for underprivileged individuals throughout Pakistan.

Overall, the adoption of the biometric verification system by BISP in the payment disbursement process marked a significant step forward in improving transparency, efficiency, and accountability. The system's reliance on CNIC and biometric verification enhanced security, reduced fraud, and eliminated the middleman culture. By leveraging advanced technology, BISP aimed to ensure that financial assistance reached the intended beneficiaries promptly and securely.

5.7 Refined Bio-Metric Verification System

The payment disbursement method adopted by the Benazir Income Support Programme (BISP) through the refined Biometric Verification System (BVS) aimed to improve transparency, efficiency, and security in the payment mechanism. This refined BVS Payment Solution was designed by BISP in response to operational issues, technological advancements in the banking sector, and suggestions from development partners.

Under this payment solution, each beneficiary was provided with the option of two accounts: a Limited Mandate Account (LMA) and a linked BB Savings Account. The LMA allowed beneficiaries to withdraw their cash assistance biometrically, ensuring a secure and personalized transaction process. On the other hand, the linked BB Savings Account provided beneficiaries with the option to push their cash grants into a traditional savings account.

This arrangement offered flexibility and choice to the beneficiaries. They could choose to withdraw their cash assistance through biometric verification directly from the LMA or transfer it to the linked savings account for further financial management. This dual-account system catered to the varying needs and preferences of the beneficiaries.

To implement the refined BVS Payment Solution, new partner banks were hired in October 2019. The selection of these banks was based on their capabilities to support the refined biometric verification system and provide efficient banking services to the beneficiaries. The refined BVS Payment Solution aimed to address the challenges faced in the previous payment methods and enhance the overall payment disbursement process. By incorporating additional safeguards and options

for beneficiaries, it improved the transparency and efficiency of the payment mechanism.

The dual-account system and the integration of biometric verification provided increased security and accountability in the payment process. Biometric authentication ensured that only eligible beneficiaries could access their funds, minimizing the risk of fraud or misuse. The availability of the BB Savings Account offered beneficiaries a means to save and manage their funds more effectively, promoting financial inclusion and empowerment. Overall, the adoption of the refined BVS Payment Solution by BISP marked a step forward in leveraging technology and banking partnerships to enhance the disbursement of payments to underprivileged individuals. The focus on transparency, efficiency, and choice contributed to improving the overall effectiveness of the payment mechanism and ensuring that the financial assistance reached those in need in a secure and accessible manner.

The two banks currently involved in facilitating BISP beneficiary across Pakistan are HBL and Bank Alfalah. HBL is catering to BISP beneficiaries located in Punjab, Sindh, Baluchistan and Islamabad while Bank Alfalah is engaged in Gilgit Baltistan, Azad Jammu & Kashmir and Khyber Pakhtunkhwa.

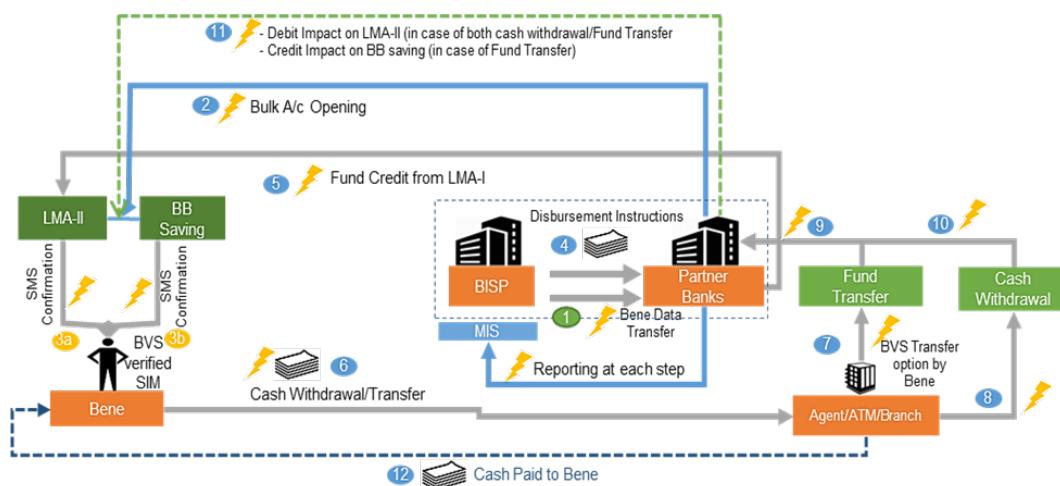


Figure 5.2: Refined BVS - Funds Flow Diagram

5.7.1 Challenges / Shortcomings in Current Payment Mechanism

The payment disbursement method adopted by the Benazir Income Support Programme (BISP) through the biometric verification system (BVS) aimed to provide a more transparent and efficient way to deliver financial assistance to underprivileged individuals. However, there were certain shortcomings identified in the current method that impacted its effectiveness.

One of the shortcomings was the lack of interoperability. This means that the BVS system was not seamlessly integrated with other systems or financial institutions. Another issue was the occurrence of embezzlement and fraud within the payment system. Despite the use of biometric verification, there were instances where individuals attempted to deceive the system or engage in fraudulent activities. These incidents highlighted the need for continuous monitoring and improvement in the security measures of the BVS system to prevent such malpractices.

Furthermore, the limitations imposed by the Public Procurement Regulatory Authority (PPRA) rules created a monopolistic approach by financial institutions. These rules restricted competition and allowed only a select few financial institutions to participate in the payment disbursement process. This lack of competition limited the potential benefits that could be achieved through a more diverse range of financial service providers.

Additionally, the current method faced challenges in serving beneficiaries at bank branches. The accessibility and availability of bank branches in remote or underserved areas were limited, which hindered the beneficiaries' ability to conveniently access their funds. This issue emphasized the need for expanding the network of bank branches or exploring alternative disbursement options to ensure greater financial inclusion.

Moreover, non-compliance with the Single Treasury Account (STA) requirement posed a challenge. The STA policy mandates the consolidation of government funds in a single account to enhance financial transparency and control. Non-compliance with this policy might have resulted in fragmented financial management and hindered efficient utilization of funds.

5.7.2 Designing of New Innovative Payment Model

In order to improve quality of service in the existing payment model on the basis of feedback from field operations and beneficiaries, innovative technologies, and growing distribution networks, BISP management has initiated the process of identifying new payment model. The key objective of evaluating new technologies and payment model is to further enhance convenience and respect for the beneficiaries while receiving the cash grant, without compromising the standards of transaction security, transparency, real-time reconciliation, audit trails and fraud mitigations.

BISP has initiated the work for designing of new payment model in consultation with key stakeholders as well as various national and international organizations with experience in designing and executing payment systems especially in the social sector.

As approved by the Board, a pilot project based on open loop payment model is being launched in 5 districts namely Sukkur, Lahore, Peshawar, Quetta and North Waziristan.

The pilot will be launched through 4 banks (NBP, UBL, BAFL and JSBL) and will be valid for maximum of two tranches. BAFL has also submitted its interest to participate for Social Protection Account in selected districts.

Under this model, beneficiaries will have to open specialized Assan Account in any of the participating bank of their choice. The product paper for specialized Assan Accounts is in process for internal approvals and will be submitted by the banks to SBP for final approval.

There will be direct connectivity and APIs integration between BISP, Banks and RAAST to share information/transactional activities. Connectivity has been established with the banks and APIs integration is under testing.

The funds will be disbursed to beneficiaries through RAAST payment gateway of SBP.

Banks have committed to complete all their preparations by coming Friday, and the pilot could be launched in the following week in any of the pilot districts.

6 Monitoring and Evaluation Framework

The BISP Act, 2010 under powers and functions of the management envisages: “To take appropriate measures for effective administration, monitoring and evaluation of the programme” (Chapter-V, Section 10(e), BISP Act 2010).

Monitoring and Evaluation (M&E) wing was established in November and is an important part of an effective and efficient programme management. An M&E system has been designed for BISP to ensure that the system provides feedback and information to facilitate continuous improvement and desired performance during the programme life-cycle i.e. Targeting, Payments and Case Management. Whilst Monitoring will give BISP the descriptive information on where BISP is at any given point in time, Evaluation will determine the relevance and fulfilment of BISP objectives and effectiveness of the program. Monitoring and Evaluation are complementary in that when a monitoring system alerts that the programme is going off track, evaluation will help understand and correct the realities and tendencies shown by the Monitoring system through adjustments in the design and/or implementation process.

The objectives of BISP M&E system are the following: With respect to **monitoring**:

- a. To monitor the progress of the BISP implementation and related processes in order to improve procedures and methods;
- b. To check the operational efficiency of the BISP programs; and
- c. To document and disseminate lessons learned from programme planning and implementation.

With respect to **evaluation**:

- a. To measure the progress of output and outcome indicators against the log-frame defined for the programme;
- b. To evaluate the impacts of the BISP; and
- c. To provide evidence regarding the effectiveness and reliability of BISP for possible expansion and changes in the design.

6.1 Methods and Tools for Monitoring and Evaluation

Monitoring and Evaluation is split up into three broad categories: the first two being related to monitoring and the third one to evaluation. The first category deals with internal monitoring which organizes the information collected in the day-to-day operation of the programme, shows the operational progress of the different project cycle stages and includes alerts, performance indicators and operational work-plans. M&E wing has developed specialised tools tailored to the needs of BISP flagship programs to routinely and consistently gather information on the process of program implementation. M&E wing has developed spot check questionnaires, beneficiary feedback questionnaire, admission and attendance compliance tools besides other tailored tools as per the requirement of the program. Various methods are adopted to ascertain or measure the performance of any

given component, project or program including Process monitoring, performance monitoring, compliance monitoring, rapid assessments, observations or spot checks, telephonic surveys to name a few methods used.

The second category is related with the external monitoring, which is carried out by external consultants. Several methods are available for External Monitoring, which include: Process Monitoring; Beneficiary Assessment; Operational Audits; and Community Scorecards. In short, monitoring of BISP programs allows stakeholders to measure the efficiency of the operation and its results may lead to improvements of operational procedures.

The third category is related with the evaluation and shows the effectiveness of the programme. Its results may lead to changes or modifications in the design parameters of the programme. There are two types of evaluations: one deals with the measurement of changes of outputs and outcomes against benchmarks defined in the log frame; and the other type measures the net impact on the well-being of beneficiaries.

6.2 Internal Monitoring

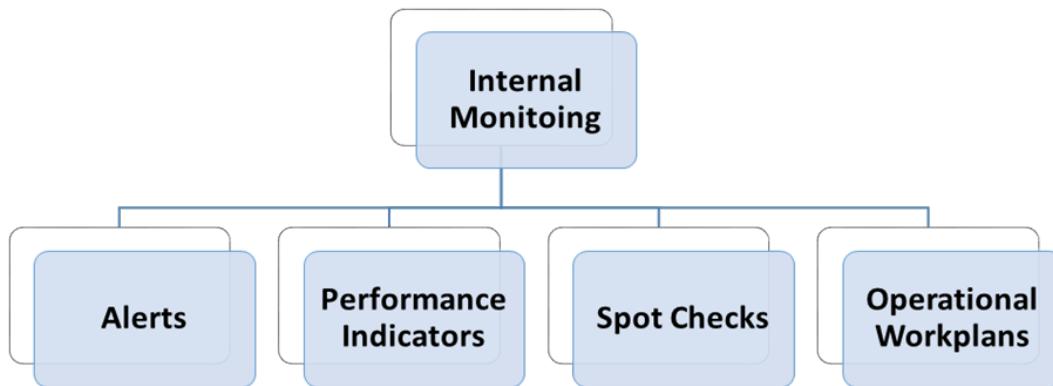
Personnel of the Programme (concerned wing) and M&E wing through MIS carry out the Internal Monitoring. While it is important to assign monitoring function to M&E to ensure transparency and ascertain an independent view of ongoing activities there maybe instances where independent or joint monitoring visits are undertaken by concerned wing. Independent visits by concerned wing are an important aspect to ascertain program progress and highlight issues for course correction by the wing. However, it must be ensured that M&E is involved in development, planning and approval process of such activity with any wing undertaking monitoring activities. This will ensure that duplication of effort in terms or time and resources is eliminated, will further enhance transparency of activities and technical expertise of M&E wing will be better utilized for satisfactory end product or results.

The Internal Monitoring is based upon the information received by BISP through either spot checks, assessment, interviews, surveys or information in the MIS system including Dashboard(s) which, in turn, produces pre-designed reports for all levels of management, program alerts and a series of indicators to make progress comparisons. It involves routine and periodic measurement of inputs, activities, and outputs during implementation. Internal Monitoring is utilized to learn about programme's progress and is also used as a warning system to identify any shortcomings with regard to the delivery of inputs and execution of activities, so that corrective measures can be undertaken in time. Internal monitoring is done utilizing various sources including respective wing monitoring resources, M&E wing resources and MIS.

The MIS gathers stores and processes all the information of each of the BISP processes: Targeting; WeT Registration and Enrolment; Payments; PCMS. The Monitoring Module of the MIS produces lists of indicators, which serve to develop monthly, quarterly, semi-annually and yearly reports as required. Managers produce those reports in accordance to their level of authority as well as geographic aggregation, i.e. National, Province, District, Tehsil and Union Council levels.

The data for Internal Monitoring is organized by M&E and concerned wings the BISP-SN Management Information System. Using this information, following types of indicators and tables can be produced:

- i. Alerts system;
- ii. Program process indicators;
- iii. Operational Plans;
- iv. Spot Checks and Beneficiary Feedback; and
- v. Web based system with general program information.



6.3 Alerts System

One goal of carrying out monitoring is to identify potential or actual problems concerning the different stages of the implementation in general and individual problems faced by receiver women. Thus, this information in the form of alerts are continuously generated by the MIS so that PCMS cases are generated and corrective measures are taken in a timely manner. The alert system used for the BISP allows all concerned stakeholder not only to have access to the necessary data, but further provides information on the kind of difficulty as well as its urgency. For that reason, all alerts are flagged with different colours depending on the exigency of solving the case.

Alerts could be of two types: for individual beneficiaries; or for a specific group of beneficiaries, geographic area, payment agency branch and others. The first type generates case management procedures oriented to individual beneficiaries. The second type generates case management procedures oriented to agencies, branches and offices in charge of processes that requires to undertake corrective actions. In terms of level of alerts, three different classes are produced. A green alert simply provides information about the case and indicates the need to analyse whether all actions of the implementation are carried out as planned. A yellow alert stands for a warning which notifies the concerned stakeholder that there is an emerging or pending problem. Those cases might not need an immediate handling, but should be investigated further. A red flag announces an immediate case that should be managed right away. Thus, the alert system with its various flags indicates the source of problem as well as guidance on the urgency of handling the respective cases.

6.4 Programme Process Indicators

The MIS generates a series of performance indicators accessible on a daily basis which may serve as alerts for the management. The MIS monitoring module can be accessed at any time by all different management levels and provides detailed information on all possible programme processes and issues associated with them (such as Targeting, Payments and PCMS). The MIS can produce daily summaries of the major indicators in order to ensure a continuous update on most urgent or important issues. These indicators are specifically created for and tailored to the different levels of authority.

6.5 Web Based System with general reports

Web based general reports are created by BISP-SN, based on data that is collected through the different processes. The aim of providing on the website general statistics is to allow all concerned users access to overarching statistical information. The statistics would cover the different processes of the Programme's implementation, i.e., Targeting, Payment and Case Management.

6.6 Operational Plans

The different BISP units and offices, having detailed listed activities, deadlines and responsibilities, prepare annual and quarterly operational plans. They also list the timelines against the tasks. A regular monitoring of these operational plans and development of progress reports at various stages helps to access the programme implementation and achievements.

6.7 Spot Checks and Beneficiary Feedback

BISP operation is scattered throughout the country where the primary interaction of BISP beneficiary with BISP is at tehsil level for enrolment, payment and grievance. M&E wing undertakes Spot Checks and Beneficiary Feedback through field visits on regular basis to help management understand the ground realities and bottlenecks faced by the beneficiaries as well as tehsil offices. It helps to observe functioning of payment delivery mechanisms, payment issues, behaviour of BISP and partner organizations with beneficiaries and level of transparency, effectiveness and efficiency of the grievance procedures beneficiary feedback provides useful insights into beneficiaries' perception about BISP's system of communication, payment schedules, efficiency of the payment mechanisms, transaction costs.

6.8 Evaluation

Evaluation aims to assess BISP effectiveness. Independent external evaluators will conduct Output Evaluations (log frame indicators) and Impact Evaluation. The output evaluation or log frame monitoring includes inputs, outputs and outcomes that need to be measured to monitor the achievement of annual benchmarks. For this, the M&E wing will use the M&E system to collect the information and, in some cases, also use information generated by other agencies of the Government.

Impact evaluation assesses how cash transfers affect food expenditure, education and nutrition outcomes, child labour supply, as well as women's social status. The evaluation normally includes a baseline survey (between targeting and first payment) and at least two follow up surveys to build a panel dataset on the same households to assess the impact of the program in the medium and long term. The process of impact evaluation includes selection of:

6.8.1 Methodology for Impact Evaluation

6.8.2 Instruments for Impact Evaluation

The impact evaluation uses randomly assigned treatment and control groups to assess the changes that can be attributed to the BISP intervention. In both treatment and control groups, a random sample from beneficiary families and non-beneficiary families is selected. The questionnaire generally includes a consumption module to capture the potential impact of BISP-SN on consumption, a household decision making module to capture the potential impact of BISP on the dynamics of decision making within families given that cash transfer is provided to the women of the families, a self-perception of social status module for the same reason mentioned above, a child education and child labour module to capture the potential impact of BISP.

6.9 Use of Internal Monitoring System

6.9.1 Internal Monitoring Through MIS

BISP Management Information System has a very crucial role in internal monitoring. The MIS would help to track the progress of different targets and goals of the programme. The MIS facilitates the Monitoring process through following:

- a. The MIS provides summarized tables for top and middle management in order to give an overview of the programs being run;
- b. The database of the BISP MIS further provides information and alerts to monitor and track the progress against the objectives; and
- c. Indicators on different processes of the programme, such as Targeting, Payment and payment Management facilitate to monitor the efficiency and effectiveness of the programme.

6.9.2 Information Indicators – Generated Through MIS for Different Levels Of BISP-SN Management

Summarizing tables are an essential tool for the management unit. Whilst all detailed information is accessible through the BISP MIS Monitoring Module, the summarizing tables allow for a quick overview of the major processes. This way, the managing units would be able to effectively control the key data on a daily basis. If necessary, and in case of any pending or existing difficulties, the respective staff that is responsible for the handling of those cases can be informed by the management and take corrective measures by analysing the more elaborated information of the MIS Management Module.

6.9.3 MIS Generated Information by Management Levels

The MIS generates the most crucial information for all levels of management of the BISP, including the BISP Board, Chairperson/Federal Minister and MD/Secretary BISP with the objective to support their decision making on various policy issues, revision of programme design and management, approval of annual planning and review reports, approval of work plans and decisions regarding budget.

The senior management would be informed on major indicators only, in order to time-effectively provide an overarching overview. In case, emerging or pending problems are observed, the management can advise the concerned personnel to take actions based on the more elaborated indicators out of the MIS Monitoring Module.

With respect to the middle management, which is also referred to as the operational management, the summarizing tables contain aggregated yet more detailed information than that available to the senior management. Since the operational management has to look after the programme's design and its implementation; therefore, it needs procedurally and geographically segregated information. This information would help to track the progress through quantitative and qualitative indicators, draft work plans and provide input for quarterly and mid-term progress reports.

It is, however, important to note that the MIS is flexible enough to be adjusted to the specific needs of the Programme and its Management Unit. Thus, in case indicators in the following sample information sheets have to be added or deleted, geographic filters and range of frequency can be selected in order to get desired information in report form. Thus, MIS can be changed in accordance to the needs of BISP-SN.

6.10 General Statistics and Reports

BISP generate general statistics on the basis of data collected through different processes. The objective of general statistics is to provide adequate statistical information to various users. The statistics includes information/data on Targeting process, Payment process and payment Management process, which would be based on range of sources of information such as MIS, monitoring data collection, process evaluation and different reports. The principal objective is to provide comprehensive and timely information on BISP through its MIS.

6.10.1 Geographic Coverage

Geographic coverage shows the information regarding specific or selected province, district, tehsil and UCs. Having selected geographic coverage, progress on processes and activities can be seen by selecting following statistical indicators:

6.10.2 Targeting Indicators

By selecting Targeting indicators following check boxes would appear showing Number of Districts Covered, Number of Beneficiaries Surveyed, Number of Households to which the Poverty Scorecard has been applied, Number and Percentage of Families Identified as Eligible, Number and Percentage of Adult

Ever-married Women who need to obtain a CNIC, Number and Percentage of Receiver Women included in the Payment List that are pending to benefit from BISP.

6.10.3 Payment Status

Payment status information includes number of Beneficiaries, Payment Received, Payment Not Received, Percentage of Payments delayed, Percentage or Number of Payments delayed for the maximum period of consecutive payment cycles, Percentage of Payment Agency branches that did not complete payments and Percentage of Discrepancies in Payment amount etc.

6.10.4 Payment Complaint Management System

Case management selection provide the option to see percentage or number of all appeals, complaints and updates received and acted upon and other multiple options.

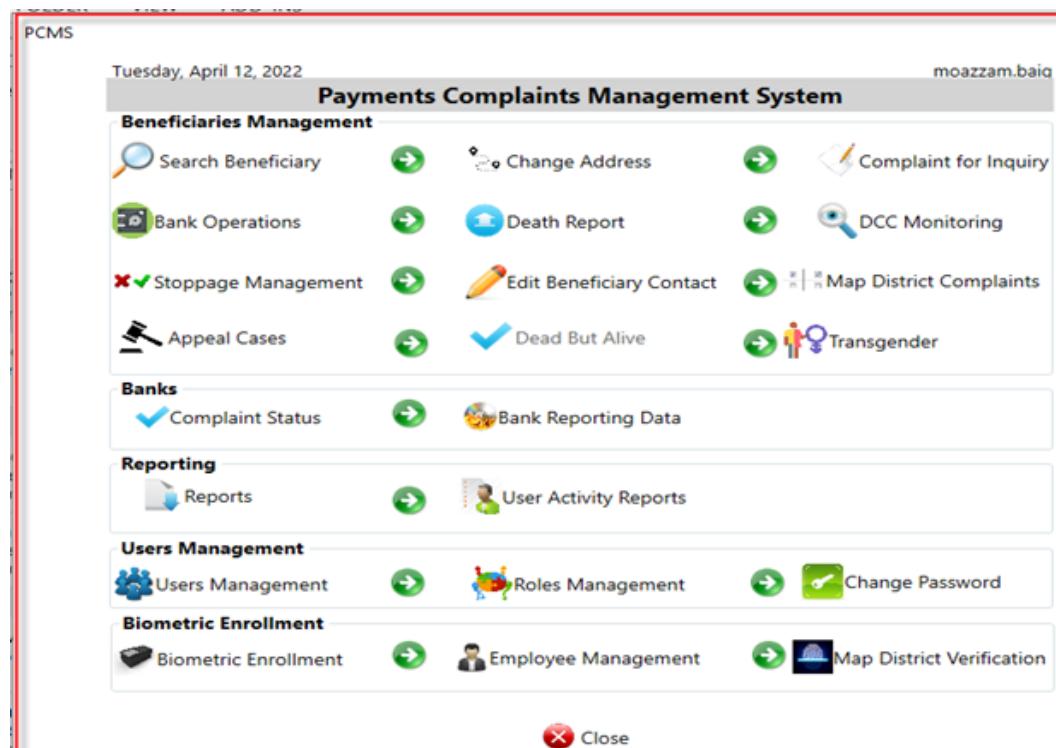


Figure 6.1: Payments Complaints Management System (PCMS)

7Grievance Redressal Mechanism

Effective grievance redressal mechanisms are essential for ensuring accountability and transparency in any organization. It is important for organizations to have a mechanism in place that allows individuals or groups to raise concerns and complaints about any issues they face. Grievance redressal mechanisms not only help in resolving conflicts but also improve the organization's overall performance by identifying and addressing systemic issues.

7.1 Process of Grievance Redressal Mechanism at BISP

Grievances can be raised by any affected party, including community members, civil society organizations, or other stakeholders. Grievances can be submitted in person, via email, by phone, through online portals, whatsapp groups and through BISP's PCMS platform. BISP encourages affected parties to raise grievances as soon as possible after becoming aware of a problem or issue. There are numerous platforms available for beneficiaries to file a grievance with BISP, some glimpses of its operation and uptake process are noted in the following paragraphs.

7.1.1 Payment Complaint Management System (PCMS)

BISP has developed an inhouse automated payment grievance redressal system called Payment Complaint Management System. PCMS is an automated interface that is used by the BISP's Tehsil/District/Zonal offices to register the complaints of beneficiaries. PCMS is integrated with partner banks' Complaint Resolution Mechanism (CRM) to facilitate complaints resolution in an efficient manner. With the PCMS and CRM integration, Turn around Time (TAT) for each complaint type has been embedded in the system which informs the TAT breach of each complaint for monitoring purpose. Overall, there are three main types of complaints which are further divided into 30 subtypes of complaints that the system can process.

PCMS is accessible at field level to Assistant Directors and officers ranked above him/her, however AD is primarily responsible for filing a complaint to PCMS, furthermore in most of the offices an assistant complaint is also deputed who is first point of contact for beneficiary facilitation. Beneficiary can easily walk-in to any tehsil office and lodge a complaint related to Biometric Verification System (BVS) which mainly includes verification failure or poor finger prints, Second type of major complaints filed by beneficiaries relate to Payment related issues which primarily include deductions and embezzlements while third major category of payment complaints covers quality of services concerning condition of facilities at POS, misconduct if any of POS agents, non-provision of receipts etc.

PCMS Platform is accessible through various avenues, the most common is walk-in beneficiaries who visit field offices, PCMS is also accessible on telephone and through one window operation services created by BISP at various locations across Pakistan. PCMS can lodge complaints against POS Agents, Bank Staff however it cannot do so if complaint has to be lodged against an AD who is the appointed custodian and operator of this system. In such case beneficiary will have to visit district or divisional office to file a complaint with his/her (AD) superior in written form.

7.1.2 Pakistan Citizens Portal

It is a Government owned platform used to promote citizen centric participatory governance. It provides nations wide window to connect people with government organizations at all levels for raising their issues with authorities, complaint redressal and suggestions. It helps to promote the culture of quantified performance management of and make various government entities accountable for their mandated roles and responsibilities. BISP has also been provided with a Pakistan Citizen portal interface which handles complaints related to BISP mainly filed by beneficiaries. In case a beneficiary cannot visit the field office or is not satisfied with the response at the field office can always access this platform to file a complaint. As soon as beneficiary files a complaint online it is forwarded to BISP handle where dedicated resources are available to review and respond to the complaints in a timely manner. A complaint is normally resolved within 20 days of filing otherwise it moves to escalated complaints and highlighted to Prime Ministers office. It is pertinent to mention that BISP has been performing exceptionally on this platform and was ranked number 3 in whole country for complaint resolution and beneficiary facilitation. From October 2022 to March 2023 BISP has received 10,733 complaints on Citizen's Portal and has resolved 100% of these complaints.

Ombudsman Portal and written callups Government has created an accessible platform for citizens of Pakistan to acquire expeditious and inexpensive relief for grievances filed against federal government agencies and to promote good governance along the way. BISP has been provided with an Ombudsmen online portal to cater to general complaints related to beneficiary complaints. There are two avenues utilized by beneficiaries or citizens to reach out to BISP via ombudsmen platform; one is through its online platform while other method is through written complaints to ombudsmen about BISP related issues. Written complaints have to be responded in writing and upon ombudsmen request attended in person by BISP officials for case response and management. BISP has dedicated resources including technical and legal for receiving and responding to complaints/grievances received through Ombudsmen and it ensures that cases are responded to in a timely and efficient manners without any escalations of grievances. From October 2022 to March 2023 BISP has received 16314 complaints out of which 21 complaints took some time to resolve and were escalated however currently all complaints stands resolved.

Letter from beneficiaries (Urdu & English) Among numerous channels that BISP has made available for beneficiaries to reach out at their convenience and in confidentiality, written letter constitute as one such channel. BISP has a dedicated staff for handling letters received from BISP beneficiaries, representatives from National and provincial assemblies and from various Government ministers like PASS ministry or directly from President house. These letters relate to selection of beneficiaries, their eligibility status, de-credit issues or any other matter a beneficiary or representative may deem necessary to highlight, to enquire about or to report. Once the letters are received dedicated team members review those letters and acquire relevant information from different available sources. After information is gathered and vetted by responsible team members it is made part of the reply and sent (via registered mail) to the beneficiary or representative on their address. It is pertinent to mention that during the assessment exercise team observed that letters received from beneficiaries were on a very specific format for making a complaint or enquiry. Furthermore, the format is not designed or authorized by BISP but local vendors have made a small business out of this exercise and skimming beneficiaries with a false hope that their cases will be accepted irrespective of the condition on ground.

Such cases are only judged and handled on merit and those beneficiaries who have genuine concerns their concerns are resolved irrespective of the format in which the letter is written. Never the less it is a phenomenon that exists in certain areas of the country where beneficiaries are paying to acquire such services and should be discouraged or beneficiaries should be informed to discontinue such practices. However, the other side of the coin reveals that beneficiaries mostly illiterate don't know how to write letters and even thought they can visit their local BISP field office to file complaints still fall pray to these people and have to pay to avail their services. On average BISP received 1262 Letter in Urdu and English and so far have replied to all queries.

NON-BVS cases A major chunk of complaints received through different portals relate to NON-BVS, which essentially mean that beneficiary was unable to verify her fingerprints and thus unable to withdraw her funds. This is generally result of degradation of finger prints as a result of age or as a result of excessive work in rough circumstances forcing finger prints to fade and unrecognizable for the biometric verification machine. Such complaints once received are verified by BISP and by running them through internal controls. Once verified these complaints are sent to Banks for timely resolution. Once verified by Banks beneficiaries are usually issued letters and exempted from using BVS machines. As a major chunk of complaints relate to this category BISP has developed a system through which cases are sent to Banks every Monday after thorough review and investigation at BISP HQ. From November 2022 to March 2023 BISP has received 103,534 complaints related to Non-BVS, out of those 21,227 related to blocked cases while 82,307 cases were shared with Banks. It is pertinent to mention that 72,150 cases have been resolved and cash disbursement to beneficiaries have been completed while the 10,157 are still under process.

WhatsApp Groups To make it more convenient and easier for citizens to reach concerned authorities at BISP or to acquire relevant information swiftly BISP has created dedicated WhatsApp groups. These groups mostly address payment related issues faced by beneficiaries and also provide general information as requested. It allows for instant communication between individuals and groups, which makes it easier for people to quickly report grievances or issues to relevant authorities or individuals. This platform is easy to use as most people are already familiar with WhatsApp and it prove to be an effective tool for facilitating grievance redressal as it offer rapid communication, group chat functionality, transparency, record keeping, and ease of use. These groups are generally used during cash disbarment of regular tranche and during special initiatives like flood response or ration provision to provide a platform to beneficiaries through which grievances are reported and solved in real time.

Call center Call center is often the first point of contact for individuals filing complaints, and as such, it plays a critical role in ensuring that complainants receive timely and effective support. The call center's primary function is to receive and manage complaints, ensuring that they are processed and addressed in a timely and efficient manner. The call center relies on a combination of software and hardware to carry out its functions effectively. At the heart of the call center's operations is the complaint management system, which is used to record and track complaints throughout the process. This system enables call center operators to capture detailed information about the complaint, including the nature of the issue, the complainant's contact information, and any relevant details related to the complaint. The complaint management system also enables operators to monitor the status of complaints and track their progress throughout the process. Hardware is also critical to the functioning of the call center. Call center operators

used computers with specialized software to manage complaints efficiently. This software included features such as call routing, screen popping, and scripting tools to help operators manage complaints effectively. In addition, call centers often have a sophisticated telephony infrastructure, including automatic call distribution (ACD) systems, which help route calls to the appropriate agent quickly. It is pertinent to mention that currently the call center does not have Licensed software which provides a Dashboard for calls summary, ongoing calls, calls on wait now does the call center has access to all platforms necessary for review of beneficiary information, furthermore the hardware available was also issued more than 10 years ago and may require upgradation. More details on these issues are covered under Predictability.

7.1.3 Sort and process

Upon receipt of grievance on PCMS, grievances are sorted and processed by the BISP GRM team. They review the grievance to determine its nature, scope, and relevance, and categorize it according to its grievance management guidelines. This step involves verifying that the grievance is legitimate and within the scope of the BISP's projects and activities. Grievances are dealt with according to three major categories that they fall in. Once grievance is received and categorized it is forwarded to the relevant office, in most cases the grievances are related to banks and thus are sent in batches to them for an early response. It is pertinent to mention that MOUs exist between Banks and BISP by which banks are bound to respond within a stated timeline, failure to do so results in financial penalties imposed on respective banks. Similarly, complaints received on Citizens Portal, Ombudsmen, WhatsApp groups and in written forms are sent straight to their respective dedicated teams housed at the HQ for early resolution and response. As these complaints form a minor chunk compared to the complaints received on PCMS it is considerably easy to sort and process by the dedicated teams.

7.1.4 Acknowledge and follow-up

Once the grievance has been processed in PCMS, BISP acknowledges receipt of the grievance to the affected party and provides information on the next steps in the process. BISP may also follow up with the affected party to request additional information or clarification. This step ensures that the affected party is aware that their grievance has been received and is being addressed. Generally upon receipt of a grievance through the PCMS system a ticket is generated and printed for beneficiary reference. This ticket holds all basic information related to beneficiary like her name, CNIC, District, Name of Complaint taker, Type of complaint, complaint status etc. Beneficiary is informed of tentative timelines for complaint resolution and what kind of response she can expect. At field level systems exist however at times the unavailability of relevant resources (printer, cartridges) may limit the provision of services effectively. Similarly other platforms like Citizen's portal, Ombudsmen portal have their own much strict timelines which has to be adhered to by BISP or they escalate and can adversely affect the overall performance of BISP grievance redressal mechanism.

7.1.5 Investigate and act

BISP conducts an investigation to determine the appropriate course of action based on the nature and severity of the grievance. The investigation may involve reviewing relevant documents, conducting interviews with stakeholders, and consulting with experts and with Banks. Based on the investigation, BISP makes a decision on how to address the grievance, which may include providing compensation, remedial measures, or other forms of redressal. This step involves a thorough and impartial investigation of the grievance and ensures that the BISP's response is appropriate and effective. Some of the common complaints or grievances that BISP receives are Non-BVS, deductions, next of Kin; general enquires about status and tranche disbursement. The process for two is explained in detail to understand the modus operandi. Non-BVS are raised when a beneficiary go to a certain Point of sale (POS) to withdrawn the amount but is unable to do so due to finger mismatch. Reasons can be numerous for mismatch including age factor, finger degradation due to hard work or even excessive washing/cleaning activities etc. Once the complaint is lodged, processed and sent to the relevant wing; the concerned official reviews it with the collected data. This query is counter verified as sometimes POS agent system may not be very responsive and causing issues, in which case after a few days the beneficiary may return to same agent or to another one nearby and try her luck again. It was noticed that roughly 40-50 percent of such complaints are resolved either automatically when the beneficiary visits on another day to same or different POS agent and is successful in making a withdrawal. Or their cases falls in De-credit or ineligible category where their credentials are blocked after 16 attempts on two different BVS machines (8 attempts on each machine respectively). For ineligible cases various categories apply including beneficiary or spouse being a Government official, having a Car (1000 CC or above) etc. while De-credit cases include beneficiaries who for any reason have not been able to withdrawn their funds for over nine (9) months. For De-credit beneficiaries are sent to NADRA e-sahulat to re-verify their finger prints and provide a proof of life, following which their accounts are made active again. It is pertinent to mention that NADRA e-sahulat is not a free service however, BISP pays through its own funds so as not to put any sort of additional burden on the beneficiary. The officer responsible for resolving such queries keep a close eye on the status of payments and if beneficiary is successful in withdrawing her amount the complaint is withdrawn/resolved while in remaining cases where the problem of non-BVS persists the officer request the local office to double check the claim and reverify her finger prints and if it still cannot be resolved the concerned officer initiate a request with the concerned bank to update their system and issue an exemption letter for such beneficiaries so they can withdraw their funds without biometric verification. Once the process is complete and beneficiary is satisfied the compliant is closed and updated in PCMS. Second process that is worth mentioning relates to next of Kin where incase a beneficiary is deceased but as her family still lives under the poverty line her privileges are transferred to her eligible family member. Family members are requested to produce death certificate of the deceased along with Nadra CNIC cancellation certificate. Once relevant documents are presented they are added to the PCMS where the system is integrated with NADRA services to cross verify beneficiary family tree and next of kin information in real time and make a decision for final processing on spot.

7.1.6 Monitoring and evaluation

Monitoring and Evaluation component is an integral part of any system put in place to ascertain the effectiveness of the process on an ongoing basis. PCMS

has an inbuilt report generation system that allows user to download and review the reports. Reports are based on pre-defined formats and covers all relevant aspects of the grievance redressal mechanism. The reports include lodged complaints, region-wise, death reported summary, transgender appeal cases, BVS enrollment report, complaints against BVS/POS, list of complaints escalated etc. Evaluation of the PCMS system and its continuous improvement of the system has been evident from the fact that PCMS team has been continuously taking inputs from different level of users periodically and incorporating those changes in the system. Based on these feedbacks the system has been enhanced and new features have been added or refined as per the user needs and requirements. Currently the system is being operated in its 7th version (7.3) and have seen numerous improvements over time with room for more.

7.1.7 Provide feedback

Once a decision has been made, BISP team or relevant banks provides feedback to the affected party on the outcome of the grievance. BISP may also provide feedback on how the grievance was handled and any changes that will be made to prevent similar grievances from arising in the future. This step ensures that the affected party is aware of the BISP's decision and understands how the grievance was addressed. Feedback is provided through telephone calls, beneficiary in-person visits, written letters, government portals and WhatsApp groups.

8Impact of BISP

Over the years since BISP was established, it has made significant impact on the lives of its beneficiaries belonging to poor and marginalized segments of society. The positive effect of the programme on its beneficiaries has been established and documented by a number of impact and research studies carried out both by BISP as well as independent researchers. With an emphasis on an institutionalized monitoring and evaluation framework since inception, BISP has regularly carried out rigorous impact evaluation studies to determine the effect of its interventions on its target audience. These impact evaluations outsourced to independent third party firms to ensure objectivity of results are based on a large of both BISP beneficiary households as well as non-beneficiary households to derive robust estimates of program impact at the national level.

The evaluation results available from Oportunidades (formerly known as Progresa) in Mexico and similar social protection interventions in Colombia, Turkey and Nicaragua are promising³. These evaluations reveal that cash transfers can provide effective incentives for investing in the human capital of the poor. Cash transfers from other parts of the world show that households have made careful use of them by spending on basic consumption: food, health care, clothing, education; debt repayment; and investment in productive assets. Empirical evidence also suggests that cash transfers increase consumption not only through direct expenditures out of current transfers, but also through the income generated by investing some of the transfers on farms and microenterprises⁴. The benefits of this type of intervention are well established, including increased caloric intake, better health and nutrition, and better schooling for children. This increased human capital is expected to play an important role in breaking the cycle of poverty for younger generations. Last impact evaluation of BISP completed in June 2016 shows positive impact on poverty reduction, increased expenditure on essential needs such as food, health, and school attendance, and improvements in the social status of women⁵. According to this evaluation, BISP has reduced the poverty gap by 3 percentage points compared to those families, which do not benefit from BISP i.e. the beneficiaries are less poor⁶. The three impact evaluations (2013, 2014 and 2016) also show that women beneficiaries play a more active role in decision-making within the household including managing money. Cash transfers have the potential to increase incomes on a permanent basis by facilitating investment in productive activities due to reduced liquidity constraints and reduced risk aversion.

References

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