

Concept Paper - Social Assessment of Vulnerable Groups

I. Concept of Vulnerability

Vulnerability, as a measure, assesses the risks and uncertainties that individuals and societies encounter in terms of human development and sustainability. It allows us to identify weaknesses in different levels of human development and propose policies for fostering resilient development. The objective is to advance sustainable and secure human development. It is important to recognize that shocks experienced by vulnerable individuals or groups can have long-lasting or even intergenerational effects, particularly if the wellbeing of women and children is affected. Various international classifications and contexts exist to identify and categorize vulnerable groups based on specific criteria.

II. Measurement of Vulnerability – Frameworks used by International Development Agencies

1. United Nations Development Programme (UNDP)

"Human rights are violated not only by terrorism, repression or assassination, but also by unfair economic structures that create huge inequalities." Pope Francis I

UNDP defines vulnerable groups as individuals with a higher risk of poverty, social exclusion, and limited access to resources and

opportunities. These groups encompass women, children, youth, persons with disabilities, elderly individuals, indigenous peoples, ethnic and racial minorities, refugees, migrants, and the socioeconomically disadvantaged (HDR 2014).

The concept of vulnerability is broad and theoretical, and different populations experience vulnerability to varying degrees based on their circumstances. Every individual is susceptible to vulnerabilities in various aspects of life. Even in developed countries, economic weaknesses can undermine the social contract. The understanding of vulnerability can be improved by examining who is vulnerable, what they are vulnerable to, and why.¹

Who is vulnerable to what and why?



Source: Human Development Report Office.

¹ Progress, S. H. (2014). Human Development Report 2014.

Shocks and threats to human development

Human development faces a multitude of pressures that encompass various aspects, including economic risks, health risks, food and physical insecurities, inequality, and environmental and natural disasters. These pressures pose challenges and threats to the progress and well-being of individuals and societies in terms of their development and overall quality of life.²



Economic Insecurity

Households that lack private savings, assets, or financial insurance are particularly vulnerable to the adverse effects of financial crises and natural disasters, which can result in income loss, inflation, and other

economic hardships. This economic insecurity is particularly prevalent in developing countries, where a significant portion of the population is employed in the informal sector and often lacks social insurance coverage.

Inequality

According to Credit Suisse's Global Wealth Report 2021, the bottom 50% of adults globally collectively held less than 1% of total global wealth.³ While there has been a decline in inequality in health and education, it remains high, especially in certain regions. Unequal access to opportunities is widely acknowledged as a significant threat to economic growth, poverty reduction, and the overall quality of social and political participation.

Health risks

Health shocks have a profound impact on households and society, and when coupled with hunger and malnutrition, they increase the risk of poverty-related health threats. In developing countries, the burden of healthcare expenses has emerged as a significant cause of impoverishment, affecting not only the poor but also the middle class. The lack of adequate health coverage exacerbates this issue, as households in the face of health shocks resort to borrowing money or selling assets to cover their medical expenses, resulting in a downward spiral into poverty.

Environment and natural disasters

² World Economic Forum (2014)

³ Global Wealth Report 2022, Credit Suisse Research Institute

The vulnerability of communities to climate change exhibits significant variation both within and among regions. This disparity is influenced by intersecting factors such as socioeconomic development, unsustainable utilization of land and oceans, inequitable distribution of resources, marginalization, historical legacies of inequity (e.g., colonialism), and governance practices. Unsustainable patterns of development currently exacerbate the exposure of ecosystems and communities to climate-related hazards. Disasters like earthquakes or floods have the potential to devastate entire communities, leading to the loss of valuable assets.

Food insecurity

The fluctuation in food prices and its limited availability poses a significant challenge, particularly impacting impoverished individuals and countries. The global economic crisis in 2008 resulted in surges in food prices and economic downturns, impeding progress in reducing worldwide hunger. The Food and Agriculture Organization of the United Nations estimated that in 2012, approximately 842 million people worldwide were suffering from hunger.

Physical insecurity

Conflict and war have devastating consequences for society and human security, causing significant shocks and jeopardizing lives and livelihoods. Various forms of violence, including communal violence, terrorist attacks, gang fights, and violent protests, pose a grave

threat. Additionally, criminal and domestic violence contribute to personal insecurity. The significant impact of violence highlights the vulnerability of both individuals and communities in the face of conflicts and acts of violence.⁴

2. World Bank

Economic shocks and natural disasters have the potential to impede upward mobility and push individuals back into poverty. These events disrupt households' capacity to sustain themselves, leading to volatility in consumption patterns. As a result, a household's poverty status at a given moment may not accurately reflect its susceptibility to falling into poverty in the event of a shock. Put simply, an unforeseen shock can quickly plunge a non-poor household into poverty, rendering it vulnerable to experiencing poverty. This highlights the importance of considering vulnerability to poverty as a distinct concept, as it captures the underlying risk faced by households and their susceptibility to adverse circumstances (see

⁴ Krug, E.G., L.L. Dahlberg, J.A. Mercy, A.B. Zwi, and R. Lozano, eds. 2002. World Report on Violence and Health. Geneva: World Health Organization.

Table 1).⁵

⁵<https://documents1.worldbank.org/curated/en/955871612975719665/pdf/World-Bank-Equity-Policy-Lab-EPL-Vulnerability-Tool-to-Measure-Poverty-Risk.pdf>

Table 1: Comparison of Poverty and Vulnerability

Poverty	Vulnerability
Whether one is poor in the current state of the world	The likelihood of being poor in different states of the world
Measured by household consumption (or income) at a given point in time compared to a poverty line	Measured by average consumption and the variability of consumption across different points in time

Governments can use social assistance programs not only by targeting the chronic poor (vertical expansion) but also by extending coverage to those who may fall into poverty due to unexpected events (horizontal expansion). These events can be either "covariate," affecting entire nations or communities (such as natural disasters or epidemics), or "idiosyncratic," impacting individual households (such as injuries, deaths, or job losses).

To implement adaptive social protection effectively, it is essential to understand the varying degrees of risk-induced vulnerability caused by both community-level (covariate) and household-level (idiosyncratic) shocks across different regions of the country. This knowledge is particularly valuable because vulnerability to idiosyncratic risks is generally higher than vulnerability to covariate risks. Identifying regions with a higher prevalence of community-level shocks allows for a more focused and efficient establishment of adaptive social protection programs.

III. Vulnerability in the Context of Pakistan

The above overview of vulnerability measurement frameworks employed by leading global development agencies shows that assessment of vulnerabilities involves evaluating factors that contribute to individuals or groups being more susceptible to adverse circumstances within a particular country's social context. Different dimensions of vulnerability have been proposed for measurement. Some focus on specific vulnerabilities, such as those related to natural disasters, income poverty, or food price volatility. Others adopt a broader systemic approach to assess the vulnerability of economies or environments to shocks.

In case of Pakistan, there is no standardized official definition of vulnerability available, unlike the case of poverty. Vulnerability is mainly conceptualized in terms of the population segments that are at a greater risk of adverse impact *viz a viz* the different dimensions of vulnerability as outlined in frameworks reviewed above, i.e., physical, economic, social and environmental vulnerabilities. The National Policy Guidelines on Vulnerable Groups in Disaster Situations, prepared by the National Disaster Management Authority

(NDMA)⁶ for prioritizing support in event of disasters, identify women, children, older persons and persons with disabilities as most vulnerable to the negative effects of any disaster.

The Benazir Income Support Programme (BISP) was launched by the Government of Pakistan in 2008 as the country's leading safety net institution. The main objective of its establishment was to smooth consumption and mitigate the adverse effects of sluggish economic growth on poor and low income households, in the backdrop of the significant food price inflation at that time.

The program specifically targets unconditional and conditional cash transfers to deserving women and their families from the poorest households nationwide, regardless of political affiliations, racial identity, geographic location, or religious beliefs. Based on its design, BISP primarily aims to address the economic and social vulnerability of deserving women and their families from the poorest households.

Vulnerability in context of BISP

The BISP utilizes the Proxy Means Test (PMT) method to assess poverty levels and determine the eligibility criteria for enrolment of program beneficiaries. This is done by analyzing the National Socio-Economic Registry (NSER) data. The NSER includes data on a large

number of variables on the socio-economic situation of nearly 87% of Pakistan's population (details in **Table 2**).

Table 2: List of Indicators in NSER Questionnaire

Socio Economic Status	Utilization of Fuel Wood/ Deforestation Rate
Unconditional & Conditional Support Status	Metered Connection (Electricity & Gas)
School Dropout (Primary, Middle, and Secondary)	Child Labour & Workforce Profiling
Out of School Children (5 -17) Years	Livestock Keeping Practice – Big Animals
Level of Education	Livestock Keeping Practice – Small Animals
Adult Literacy Level	Household Using Covered Drinking Water - (Pump, Piped, Filtration Plant, Covered Well)
Employment profiling	Household Using Uncovered Drinking Water - (Pump, Piped, Filtration Plant, Covered Well)
Disability profiling	Agriculture land Ownership
Diseases profiling	Average Agriculture Land Household Owned by Socio Economic Statuses
Still Birth or Infant Mortality	Households Owned Internet Connection
Housing Structure Types	Households Owned UPS/Generator/Solar Panel
Availability of Latrines / Open Defecation Rate	Satisfaction with various state institutions (Police, Local Administration, Courts and Prosecution)

Under its present program targeting and enrolment mechanism, BISP is making use of a poverty targeting framework to identify poorest

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<https://cms.ndma.gov.pk/storage/app/public/plans/October2020/zu5L4m21KurTMvlyk6Wl.pdf>

households for extending financial support, on basis of a proxy mean test index based on 43 indicators of household welfare.

While the PMT measure incorporates different forms of vulnerabilities faced by the poorest households, its primary focus is on the present state of poverty that its beneficiary households are in. There is, therefore, need to establish conceptual clarity regarding standard definition of vulnerability within the organization. It can explore practical approaches to define the term "vulnerability."

Having a standardized definition of vulnerability can enable BISP to to prioritize population groups more effectively. In this regard, there is need for BISP to clarify its usage of terms such as marginalized, vulnerable, poor, underprivileged, excluded, deprived, and distressed within its scope of work. The existing NSER data which has rich information on various dimensions of household socio-economic well-being can be used for developing a measure of vulnerability, which should account for households that though presently may not be in poverty, but are more susceptible to falling into poverty due to any adverse situation, such as disaster, loss of livelihoods, health shocks, etc.

In this regard, the following way forward is recommended:

1. Conduct a desk review to qualitatively analyze the NSER data, in collaboration with the NSER Wing, to identify vulnerable characteristics of the population, on basis of various dimensions of vulnerabilities as identified in the above review. This analysis may focus on capturing features covered in the Cost of Basic Needs (CBN) and Multidimensional Poverty

Index (MPI) models. This can help in developing an index that helps identify vulnerable households, groups, or communities.

2. Another approach involves targeting the population just above the poverty threshold who are at risk of falling below the poverty line in the event of a shock. These shocks can be either "covariate," affecting entire nations or communities (such as natural disasters or epidemics), or "idiosyncratic," impacting individual households (such as injuries, deaths, or job losses). For instance, households with PMT scores ranging from 33 to 40 can be hypothetically considered as vulnerable. By designing specific interventions, support can be provided to prevent them from slipping below the threshold.

By exploring these options, the understanding and application of vulnerability in BISP can be further enhanced to develop targeted strategies to support them.