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Social protection profile: Pakistan[1]

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Since 2018, the International Policy Centre for Inclusive Growth (IPC-IG) has partnered with the UNICEF Regional Office for South Asia and its respective Country Offices to develop a series of comparative papers on social protection (SP) in the region, covering social expenditure, legal frameworks, design of flagship national non-contributory SP programmes—including their child- and gender-sensitive features—the socio-economic impacts of the COVID-19 crisis and the SP responses deployed, and findings from quasi-experimental impact evaluations. All of the studies listed, except the last one, were published in 2020. This One Pager highlights key findings for Pakistan.

From a legal perspective, Pakistan lacks a national statutory framework for SP, since the competence for SP law-making and delivery shifted from the federal government to the provinces in 2010. Nevertheless, at the federal level, the country's Constitution includes provisions related to the promotion of socio-economic well-being, adequate livelihoods and the fulfilment of basic needs. At the programme level, only two of the flagship social assistance initiatives mapped by the IPC-IG have their own statutory regulatory frameworks: the Benazir Income Support Programme (BISP) and Pakistan *Bait-ul-Mal* (PBuM). The remaining two, the FATA Temporarily Displaced Persons Emergency Recovery Project (FATA-TDPER) and the Prime Minister's National Health Programme (PMNHP), lack such legislation.

In terms of social expenditure, Pakistan allocated 4.1 per cent of gross domestic product (GDP) to social expenditure in 2019. Expenditure on education has steadily increased in recent years, and is channelled mainly towards primary education. However, educational outcomes are still among the lowest in South Asia. Meanwhile, almost two thirds of health expenditure in Pakistan are out-of-pocket payments, and health-related indicators are generally below average for the region, signalling the need for further investment. Pakistan spends less than 1 per cent of GDP on social assistance. The country's context is challenging though, requiring a balance between fiscal sustainability and increased spending.

Regarding the design features of flagship national non-contributory SP programmes, the IPC-IG analysed four programmes. PBuM stands out for delivering several integrated interventions, including unconditional cash transfers, housing subsidies, unconditional in-kind transfers, training and educational fee waivers. The BISP and the FATA-TDPER are cash transfers, while the PMNHP is a non-contributory health insurance scheme. Overall, the system has a strong focus on the poorest people in the country, identified mostly through means-testing and proxy means-testing methods.

Concerning gender- and child-sensitivity, Pakistan demonstrates commendable features. The BISP is complemented by *Waseela-e-Taleem*, a conditional cash transfer attached to enrolment and attendance in primary education, which varies according to the number of children in the household. Similarly, PBuM offers extra cash to households with children aged 5–14 who attend school. Further, the BISP's benefit is paid to female household heads, while PBuM prioritises widows and orphans, and offers vocational training for women. A flagship national school feeding programme could be considered.

It is important to note that in March 2019 Pakistan launched *Ehsaas*, an umbrella multisectoral strategy which also encompasses the BISP and PBuM (both are now administered by the same agency). Particularly significant, *Ehsaas* fills in former gaps—for example, it adds a sustainable livelihoods component, tertiary scholarships (half reserved for women), and health promotion initiatives for pregnant and lactating women, and children aged 0–2. Moreover, linked to the BISP's unconditional cash transfer component, *Ehsaas* employs additional technology for service delivery that fosters financial inclusion: biometric payments, bank account creation and mobile phone use.

Concerning the findings of impact evaluations, rigorous and coordinated assessments were identified for the BISP only. No rigorous impact evaluations were identified for the three other programmes mentioned above. The BISP was found to lead to increased consumption and asset ownership, hence decreasing poverty. Furthermore, desirable changes were observed for women: increased access to money, mobility and likelihood to vote. Effects on education, though, are rather limited due to supply-side constraints, such as a shortage of schools and qualified staff and a lack of adequate water, sanitation and hygiene (WASH) facilities.

During the COVID-19 crisis, two national SP measures stood out. First, in March 2020, the government announced *Ehsaas* Emergency Cash—an expansion of *Ehsaas*—which was an unconditional cash transfer to safeguard food security. The initiative aimed to reach 16.9 million households (almost half the population), many of which contained informal workers who likely did not have access to SP. Second, the Rozgar scheme provided subsidised credit to cover firms' payroll in exchange for a commitment not to lay off any staff for up to six months.

Based on the specific findings for Pakistan, drawn from regional comparative reports, key policy recommendations are:

- Reconcile efforts towards streamlining and expanding the SP system with the devolution of responsibilities to the provincial level—for instance, by strengthening collaboration and building consensus for a single piece of legislation.
- Continue recent investments in social expenditure through long-term budgetary commitments while also addressing supply-side constraints.
- Continue efforts to achieve child- and gender-sensitive SP—for example, by instituting a flagship school feeding programme and further promoting women's productive and financial inclusion.
- Improve management information and monitoring and evaluation systems—including evidence generation around expenditure at federal and provincial levels—financial inclusion, and digitalisation of SP delivery to strengthen shock-responsiveness.

References:

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Note:

1. Full references for the data cited in this One Pager can be found in the list of reports available in the Blogposts listed above.

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