

Social Safety Nets

Poverty has become one of the emerging issue across the globe. In this context, state sponsored Social Safety Nets (SSNs) work as a cushion to mitigate the devastating effects of poverty. Social Safety Nets include non-contributory transfers (unconditional and conditional cash-transfers, food and other in-kind transfers, school feeding programs), non-contributory social pensions, measures to provide access to essential services as education, health and housing through fee-waivers, public works and social care services. However, challenges are in the implementation of SSN programs that include setting the eligibility criteria, introduction of poverty score card, scarcity of resources and demand-supply gap.

Government is committed to eliminate poverty by 2030. Ministry of Planning, Development and Reforms in collaboration with the Provincial Planning and Development Departments and UNDP carried out an extensive series of divisional level workshops to sensitize about the SDGs at the grass root level and also disseminated the findings of Multidimensional Poverty Index (MPI) report. Emphasis has been placed on the orientation at grass root level, localization of SDGs, prioritization of SDGs and data gap analysis for proper monitoring and reporting.

Planning Commission in collaboration with UNDP and Pakistan Bureau of Statistics (PBS) has conducted an extensive exercise to review the availability of data on SDGs from various sources and timelines. A Technical Committee

is formulated to review the availability of data to monitor the progress on 241 indicators and its alignment with the SDGs framework. This Committee is assisted by four sub-committees by clubbing 17 goals in four broad categories.

Box-15.1

Goal 1 (Sustainable Development Goals) “No Poverty” in all its manifestations everywhere by 2030. Although, this is in complete consonance with Vision 2025 “No one left behind” but at the same time it poses the challenges of eradicating poverty in all its dimensions and from all parts of Pakistan. The report on Multidimensional Poverty 2016 and PSLM data provides a deep insight on the state of poverty and dynamics in Pakistan. This poverty profile revealed that, in Pakistan poor are predominantly rural, young, poorly educated, mostly deprived of health facilities, and are living in larger households with more children. These characteristics of poor and poverty help policy makers in formulating purposeful and targeted poverty alleviation programs.

The United Nations Development Programme (UNDP)’s Human Development Report, 2016 ranks Pakistan at 147th out of 188 countries under the Human Development Index (HDI) based on Health (life expectancy at birth), Education (Expected years of schooling) and Gross National Income (GNI) per capita. Pakistan’s HDI value is 0.550 out of 1 as against South Asia’s average HDI value of 0.621 and World’s average HDI value of 0.717. The present government has initiated social sectors programmes and policies to

improve the country's HDI.

Tracking the Pro-Poor Expenditures

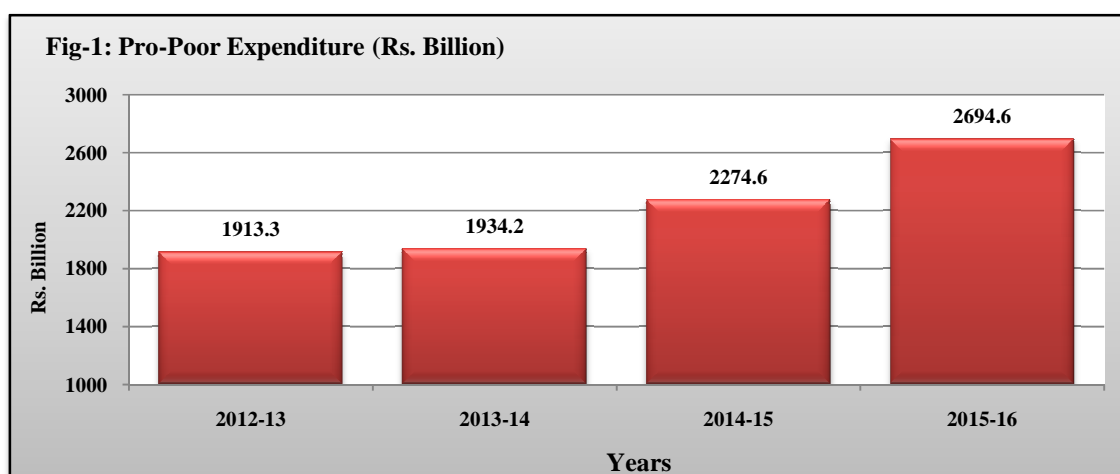
The government has prioritized 17 pro-poor sectors through the Medium Term Expenditure Framework (MTEF) in the PRSP-II, which provided a link between the policy priorities and the related budget allocations. Expenditure on pro-poor sectors in 2012-13 stood at 8.5

percent of GDP. In 2013-14, these were 7.7 percent of GDP and in 2014-15, 8.3 percent of GDP. During 2015-16, total expenditures of these sectors were increased and reached to Rs 2,694.6.7 billion, which was 9.3 percent of GDP. During July-December of the current fiscal year 2016-17, Rs. 1,017.5 billion expenditures have been made as shown in Table 15.1 below:

Sectors	2012-13	2013-14	2014-15	2015-16	2016-17*
Roads, Highways & Bridges	94,750	96,504	190,984	397,506	149,765
Environment / Water Supply and Sanitation	34,055	32,000	54,093	63,554	22,913
Education	479,853	537,598	599,047	663,356	310,155
Health	161,202	201,986	231,172	267,953	111,867
Population Planning	7,142	12,609	13,943	10,894	3,038
Social Security & Welfare**	72,898	93,481	155,725	173,532	76,466
Natural Calamities & Other Disasters	32,699	18,404	40,525	59,204	6,998
Agriculture	148,554	157,894	199,903	239,019	88,481
Land Reclamation	4,805	4,796	5,184	4,601	877
Rural Development	31,926	14,727	29,122	37,419	6,545
Subsidies	556,113	502,098	459,325	437,087	76,897
People's Works Programme-I	3,346	-	-	-	-
People's Works Programme-II	42,486	-	-	-	-
Low Cost Housing	603	676	581	460	165
Justice Administration	22,512	24,378	26,041	33,255	18,449
Law and Order	220,343	237,027	268,983	306,738	144,863
Total	1,913,287	1,934,178	2,274,628	2,694,578	1,017,479
Total as % age of GDP (2005-06 base)	8.5	7.7	8.3	9.3	-

Source: Ministry of Finance, External Finance Policy Wing

*: July-December **: Social Security & Welfare also includes the expenditure of BISP, MDGs and PBM.



Social Safety Programmes

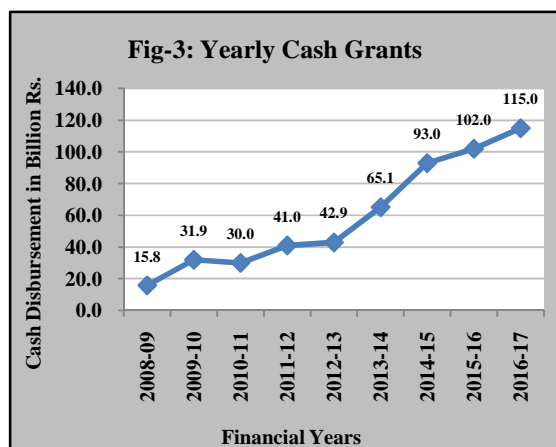
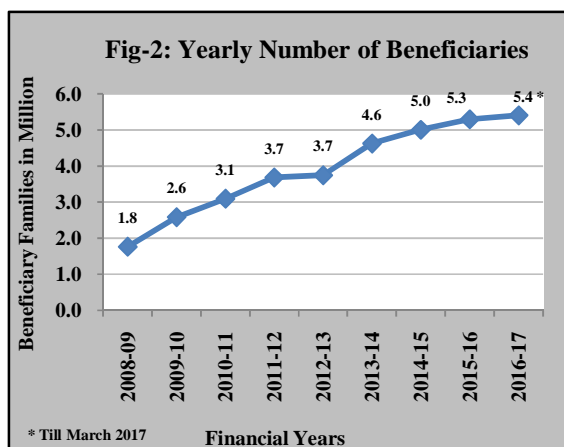
Recognizing the need to protect the poor and the vulnerable, the government has launched several social safety net programs. The following are the main social safety net programs;

I. Benazir Income Support Programme (BISP):

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. The programme has been established through an Act of Parliament, BISP works under the executive patronage of the Prime Minister while the President of Pakistan is its Chief Patron. Its long term objectives included meeting the targets set by Sustainable Development Goals (SDGs) to eradicate extreme and chronic

poverty and empowerment of women. The quarterly cash grant has been gradually enhanced by present government from Rs.3000/- per family to Rs. 3600/- in FY 2013-14, Rs. 4500/- in FY 2014-15, Rs.4700/- in FY 2015-16 and Rs.4834/- in FY 2016-17.

Since its inception in 2008, BISP has grown rapidly. It is now the largest single cash transfer program in Pakistan’s history. The number of beneficiaries has increased from 1.7 million in FY 2009 to approximately 5.42 million at the end of March 2017. BISP’s annual disbursement increased from 16.0 billion in FY2009 to Rs.115 billion in FY2017. Since inception, BISP has transferred Rs.486 billion (21st April, 2017) as cash transfers. BISP is following the path of automation and 97 percent of beneficiaries are being paid through technology based payment mechanisms.



Transparent Payment Mechanism

BISP in its initial phase started delivering cash transfers using Pakistan Post due to its outreach across Pakistan. But later, in order to improve the efficiency and transparency of payments to its beneficiaries, BISP started using innovative payment mechanism in the form of Benazir Smart Card and Mobile Phone Banking on test basis in nine districts across the country. After testing the pilots, BISP has rolled out Benazir Debit Card across Pakistan, Now, around 97 percent beneficiaries are receiving payments through technology innovative payment

mechanisms (rest are still getting stipend through post office).

To bring more transparency, BISP has implemented biometric verification system (BVS) in 9 districts. Till December 2016, 662,077 beneficiaries received cash through biometric verification.

BISP role in Poverty Reduction

An Impact Evaluation Study conducted by the Oxford Policy Management in 2016 assessed the outcomes of the beneficiaries against key objectives including poverty reduction,

women's empowerment, improved household and child nutrition.¹ According to the report

- BISP cash transfers have contributed poverty reduction among beneficiaries by 7 percentage points, relative to non-beneficiaries having similar characteristics.
- BISP continued to have an impact in increasing consumption expenditure of Rs. 187.
- BISP is leading to increase in per adult equivalent monthly food consumption (Rs. 69) driven by high quality protein.
- BISP has led to a decline in deprivations particularly in terms of quality of flooring in households and the quality of cooking fuel used.
- BISP has continued to influence a change on the way women are viewed in the household.

Update of the National Socio-Economic Registry (NSER)

BISP's targeting mechanism has been significantly strengthened over time and relies on scientific approach based on proxy means testing.

Keeping in view the transient nature of population around the poverty line and the internationally accepted phenomenon of change in households demographic profile over time; the NSER update will be carried out in two phases, i.e. pilot phase and National Rollout. BISP is conducting the survey in 16 districts including 4 districts in which Desk Approach has been tested with an objective of making NSER a dynamic registry.

Desk Approach has successfully been completed in 4 districts with 89% coverage

¹ A third round impact evaluation analysis was conducted in 2016 to assess the impact of BISP on beneficiaries against key objectives of the program: poverty reduction, women's empowerment, improved household and child nutrition, and increased asset retention. A quasi-experimental method was used, based on a comparison between a treatment group of beneficiaries of BISP against a control group of households' non-beneficiaries of BISP but just above the BISP threshold scorecard (Oxford Policy Management, 2016). This followed the second round evaluation impact analysis conducted in 2015.

through registration centers. After Desk Approach completion in these districts, a door-to-door campaign will also be undertaken and a Targeting Performance Survey will also be conducted to establish Value-for-Money for these approaches for National Rollout. Door-to-Door approach is currently being implemented in 13 districts, i.e. Charsadda, Lakki Marwat, Mohmand Agency, Gilgit, Chakwal, Faisalabad, Layyah, Mirpur, Thatta, Sujawal, Jacobabad, Killa Saifullah and Kech.

Complementary Initiatives

There is an increasing role of complementary interventions in determining sustainable impact of cash transfer on uptake of education and health services, nutrition outcomes, and improving livelihoods to increase the chance of graduation from poverty. There are four closely associated and complementary components, including Waseela-e-Rozgar and Waseela-e-Haq (Micro-finance), Waseela-e-Sehat (Life & Health Insurance) and Waseel-e-Taleem (Primary Education).

Waseela-e-Taleem (WeT) This Program is designed to encourage BISP beneficiary families having children in the age group of 5 to 12 years, to send their out of school children to schools for Primary Education (and in school children to continue their education), in return for cash transfers with the long-term prospects of human capital formation to graduate out of abject poverty. The initiative was to enroll approximately 2.0 million children in primary schools by December 2018. This involves a cash transfer of Rs. 250 per month paid quarterly (Rs. 750 per child) for all children of each beneficiary family in the age bracket of 5-12 years in return for their compliance with the co-responsibilities of school admission and a minimum of 70 percent quarterly attendance. The field operation of the program was started in October, 2012. So far, over 1.3 million children have been enrolled and Rs. 2.9 billion has been disbursed as stipend under WeT.

Collaboration with Development Partners

World Bank financed \$150 million for 'Pakistan Social Safety Net Project' to launch

Unconditional Cash Transfer (UCT) and Co-responsibility Cash Transfer/CCT (Waseela-e-Taleem) for primary education of children of BISP beneficiaries. The funding was disbursed through set of Disbursement Link Indicators (DLIs) totaling 19. BISP has successfully achieved and completed all DLIs amounting to \$150 million. BISP's rating has been upgraded as 'Highly Satisfactory' while rating of the project management has been upgraded to 'Satisfactory'. BISP has been internationally acclaimed as number 5 in the world in targeting performance of SSNs (State of Social Safety Net, World Bank, 2015). BISP and World Bank have successfully signed the new program on 30th March, 2017 amounting to \$ 100 million. Under the program key areas like updation of NSER, expansion of Waseela-e-Taleem and integration of BISP beneficiaries with other complimentary initiatives have been identified as priority areas.

The Department for International Development (DFID) have also extended support to BISP through a grant allocation of GBP £300 million and the disbursements stand around GBP £180. DFID allocated grant for the co-responsibility cash transfer (CCT) program for primary education of children of BISP beneficiaries. DFID grant was made through a total of 18 DLIs all of which have been achieved. The timely achievement of DLIs reflects the synergy between BISP and its development partners. DFID support will continue till 2020 through grant financing amount of £ 98 million. Overall performance rating of program is "A" (DFID Annual Review Report 2016).

Asian Development Bank under Social Protection Development Project committed US\$ 430 million. The project has supported the Government of Pakistan's national social safety net program, the Benazir Income Support Program (BISP). The project will enable the expansion of the cash transfer program (paid to the female head of targeted poor families). An amount of US \$ 296.72 million have been disbursed. The project is on track and will be closed by December 2018.

BISP's Achievements in FY 2016-17

- The present government increased BISP budgetary allocations from Rs. 70 billion in FY 2012-13 to Rs. 75 billion in FY 2013-14, which was subsequently enhanced to Rs. 97 billion in FY 2014-15 and Rs. 102 in FY 2015-16 and for the current fiscal year 2016-17, the allocation was further enhanced to Rs. 115 billion.
- The quarterly cash grant has been gradually enhanced from Rs. 3000/- per family to Rs. 3600/- in FY 2013-14, Rs. 4500/- in FY 2014-15, Rs. 4700/- in FY 2015-16, and Rs. 4834/- in FY 2016-17.
- The number of BISP beneficiaries has also increased from 3.73 million in 2012-13 to 5.0 million in FY 2014-15. At present the number of beneficiaries is around 5.42 million.
- BISP is following the path of automation and 97 percent of beneficiaries are being paid through the mode of technology.
- Successful launch of pilot phase of NSER and completion of Desk Approach with 89 percent overage.
- Successful start of biometric verification system (BVS) in 43 districts. BVS system will be expanded on gradual basis.
- Launching of third Impact Evaluation Report 2016 by the Oxford Policy Management (OPM). The report finds that per adult equivalent consumption expenditure has, as a result of BISP interventions, increased by Rs. 187 and poverty has fallen by 7.0 percentage point amongst beneficiaries. Using the cost of basic needs (CBN) poverty line as a reference, it is reported that BISP is associated with a reduction in poverty gap by 3.0 percentage points. BISP has inducted an increase in per adult equivalent monthly food consumption by Rs. 69.
- Successful completion of World Bank funded 'Pakistan Social Safety Net Project' and the new programmes have also been

signed on 30th March, 2017 amounting to US \$ 100 million.

- BISP's rating has been upgraded as 'Highly Satisfactory' by the World Bank.
- DFID conducted the annual review-2016 of BISP with an overall score of A.
- For the graduation of BISP beneficiaries, Akhuwat through Chief Minister's Self Employment Schemes of Punjab & Gilgit-Baltistan and through Prime Minister's Interest Free Loan (PMFIL) Scheme has provided interest free loans to 76,196 BISP beneficiaries.

Outlook for FY 2017-18 and Beyond

In line with government's resolve to run BISP on transparent and efficient lines, the future focus is attuned to following:

- Improve grass root social mobilization capacity through partnerships with provincial governments and NGOs.
- Regular revalidation/recertification of beneficiaries to capture the transitional poverty.
- Successful completion of Pilot Phase of NSER and going for national roll out.
- Shifting of all beneficiaries from traditional to scientific payment mechanism in the future.
- Target to send 2 million children to school by 2018.
- Consolidate its partnership with the provinces to integrate the federal social protection schemes with provincial programs to achieve equity for the poor and vulnerable.
- Facilitate government in using BISP Registry for targeted subsidy provision under other sectors and elimination of non-targeted subsidies.
- BISP is committed to achieve Sustainable Development Goals and to be the major contributor in Eradication of extreme poverty (SDG 1), Ensure inclusive and Equitable Quality Education and Promote Lifelong learning opportunity (SDG 4) and Achieve Gender Equality and Empower all

women and girls (SDG 5).

Target for 2017-18 & 2018-19

- Successful completion of NSER and implementation of new data.
- Implementation of biometric verification system (BVS) all over the country.
- Expansion of Waseela-e-Taleem in 50 districts and achieving the enrolment target of 1.6 million by June 2017.
- Integration of BISP beneficiaries in other complementary initiatives of federal and provincial governments.
- Successful implementation of World Bank funded \$100 million National Social Protection Project (NSPP) during 2017-2020.

II. Pakistan Poverty Alleviation Fund

(PPAF) Pakistan Poverty Alleviation Fund (PPAF) acts as an Apex Organization carrying out programmes through 134 Partner Organizations (POs) that are non-governmental in nature with an underlying focus on a community-led, demand-driven approach emphasizing on community ownership right from identification, preparation, implementation and management of these interventions in a sustained manner. The themes of social inclusion, gender and environment are the common threads running through all projects and programmes of infrastructure, health and education, livelihood and microfinance.

PPAF supports the government's social protection programme by providing a poverty graduation approach for the poorest household in over 1,600 Union councils in the country. It assists ultra or very poor household (as per poverty scorecard score O-23) to lift them out of poverty (attain a score of 35 or above) on a sustainable basis non-poor condition for over three years).

Since its inception in April 2000 to March 2017, PPAF has disbursed an amount of approximately Rs. 184.94 billion to its 134 Partner Organizations in 130 districts across the

country. During the same period, 8.4 million individuals availed the PPAF microcredit financing; 36,300 water and infrastructure projects completed; 2,000 health and education facilities supported; 440,000 credit groups and 132,500 community organizations formed, 111,000 individuals trained through managerial and skills/entrepreneurial training events, 108,000 ultra and vulnerable poor households received productive assets, 282,000 interest free loans disbursed through Prime Minister Interest Free Loan (PMIFL) scheme, 26,000 individuals including women and youth trained on enterprise development under Waseela-e-Haq National & Waseela-e-Haq Sindh programme

of BISP and facilitated in establishing their successful venture, and 30,800 persons with disabilities rehabilitated. Pakistan Microfinance Investment Company (PMIC) incorporated in September 2016 and started its operation as a separate legal entity in December 2016 by taking over PPAF's portfolio in the microfinance sector.

During July 2016 to March 2017, Pakistan Poverty Alleviation Fund (PPAF) has disbursed an amount of approximately Rs. 9.207 billion to its Partner Organizations (POs) under PPAF core interventions administered through various operational units as shown in the Table-15.2 below:

S.No	Components	(Rs.million)
1	Institutional Development and Social Mobilization	522
2	Microfinance Portfolio Management	5,415
3	Livelihood, Employment and Enterprise Development	213
4	Water and Infrastructure	413
5	Education, Health and Nutrition	375
6	Prime Minister's Interest Free Loan	2,269
Total		9,207

Source: Pakistan Poverty Alleviation Fund, Islamabad.

During the same period, a total of 646 Community Organizations (COs) were formed and 5,488 community and PO staff members were trained (32% women) under Institutional Development and Social Mobilization component. Similarly, under Livelihood, Employment and Enterprise Development (LEED) component, 6951 individuals received skills / entrepreneurial training (43% women) and 3,212 productive assets were transferred ultra and vulnerable poor (39% women). 246,142 new microcredit loans were extended to the borrowers including 60% women borrowers. 485 Water and Infrastructure sub-projects were initiated benefitting 352,853 persons (54% women). Under health and

education component, 754 educational and 97 health facilities were supported during the reporting period. 75,655 students (43% girls) were supported and 148,276 patients (52% women and girls) were treated under various ailments. 93,427 interest free loans (62% women) were disbursed through Prime Minister Interest Free Loans (PMIFL) scheme. 79 Persons with Disabilities (PWDs) were also rehabilitated.

Overall, these projects and interventions benefitted around 0.9 million poor and marginalized population including 54% women beneficiaries during the reporting period. A major highlight of physical progress is shown in Table-15.3 below:

Table 15.3: Major Achievements by Operating Units of PPAF		
S.No	Outreach	Numbers
1	Institutional Development and Social Mobilization <ul style="list-style-type: none"> Community organizations formed Community and PO staff trainees (32% women) 	646 5,488
2	Livelihood, Employment and Enterprise Development <ul style="list-style-type: none"> Individuals received skill / entrepreneurial training (43% women) Productive assets transferred to ultra and vulnerable poor (39% women) 	6,951 3,212
3	Microfinance Portfolio Management – Micro-loans (60% women)	246,142
4	Water and Infrastructure Sub-projects <ul style="list-style-type: none"> Sub-projects completed Sub-projects beneficiaries (53% women) 	485 352,853
5	Education <ul style="list-style-type: none"> Educational facilities supported Students supported through schools (43% girls) 	754 76,665
6	Health <ul style="list-style-type: none"> Health facilities supported Patients treated under program health facilities (52% women and girls) 	97 148,276
7	Disability Programme- Person with Disabilities (PWDs) rehabilitated	79
8	Prime Minister Interest Free Loans Scheme - Number of loans (62% women)	93,427
Overall program beneficiaries during the reporting period (54% women)		933,083

Source: Pakistan Poverty Alleviation Fund, Islamabad.

III. Microfinance Initiatives Microfinance sector is considered an important player in promoting the financial inclusion agenda envisioned by the government. Microfinance industry is primarily engaged in empowering marginalized section of society through provision of credit and making them self-sufficient. The sector has been serving people near the poverty line by not only providing credit products but also through savings, insurance, and remittance services. As shown in Table 15.4, the sector continued to exhibit upward trend. The micro-credit outreach

witnessed 22 percent growth during 2016, while Gross Loan Portfolio registered a 47 percent growth during the same year. Micro-savings, on the other hand, posted considerable growth under active savers by 65 percent and value of savings by 88 percent, which is attributable to increase in m-wallet accounts and taping higher ticket size. Moreover, micro-insurance also remained positive wherein policy holders increased by 28 percent, whereas sum insured posted a hefty growth of 85 percent. This segment is primarily dominated by credit life and health insurance.

Table 15.4: Active Borrowers, Active Savers and Active Policy holders						
Details	Micro-Credit		Micro-Savings		Micro-Insurance	
	Active Borrowers	Value (Rs.million)	Active Savers	Value (Rs.million)	Policy Holders	Sum Insured (Rs.million)
2016*	4,572,245	136,943	23,091,250	121,383	5,855,668	150,544
2015*	3,757,003	92,991	13,956,969	64,679	4,585,070	81,358
Increase/decrease (Net)	815,242	43,952	9,134,281	56,704	1,270,598	69,186
Increase/Decrease (%)	22%	47%	65%	88%	28%	85%

*: Calendar Year
Source: Pakistan Microfinance Network (PMN)

The continued growth in the sector is primarily attributed to enabling environment, supportive policy and regulatory environment, healthy industry infrastructure that includes Microfinance Credit Information Bureau (MF-CIB), government backed credit schemes, client protection initiatives, and innovations in products and delivery channels brought in by the players.

The objective of the microfinance initiative is to

provide liquidity to the microfinance providers in response to tighter liquidity conditions. It is provided as a package through microfinance banks (MFBs), microfinance institutions (MFIs), Rural Support Programmes (RSPs), and others including Commercial Financial Institutions (CFIs) and Non-Government Organizations (NGOs). Table-15.5 presents the number of Micro-Credit beneficiaries with outstanding loan portfolio and disbursements by loan providers during July-December 2016-17.

Table 15.5: Micro credit beneficiaries, outstanding loans portfolio and loan disbursement				
MFP	Active Borrowers	Outstanding Loans Portfolio (Rs)	Number of Loans Disbursed	Disbursements (Rs) [July-Dec]
Total for Pakistan MF sector (July- December, 2016)	4,572,245	136,943,174,214	2,415,446	97,989,577,918
MFBs				
Apna Microfinance Bank	50,096	6,397,188,408	8,755	974,880,404
FINCA Microfinance Bank	133,601	10,209,127,902	79,465	7,605,238,685
First Microfinance Bank Limited	259,272	8,931,877,102	129,210	5,642,617,208
Khushhali Bank	556,787	23,133,098,945	320,638	15,278,155,642
Mobilink Microfinance Bank	90,929	5,934,159,126	55,384	3,715,120,929
NRSP Bank	325,520	13,271,039,904	246,046	10,970,673,787
Pak Oman Microfinance Bank	19,727	471,813,758	8,148	338,405,000
Sindh Microfinance Bank	3,837	69,353,348	2,728	56,167,000
Tameer Bank	385,417	15,945,318,811	227,267	11,365,410,955
U Microfinance Bank	118,160	5,576,802,091	72,488	3,989,422,618
Total for MFBs	3,231,022	114,913,868,072	1,150,129	59,936,092,228
MFIs				
AKHUWAT	664,563	9,530,502,033	268,374	6,415,133,000
ASA – Pakistan	322,016	5,654,839,210	180,072	5,314,544,000
Community Support Concern	21,610	464,914,102	9,887	401,315,000
DAMEN	48,367	1,362,196,107	22,294	1,115,300,000
Farmer Friend Organization	20,916	411,060,581	10,864	370,155,000
Kashf Foundation	237,573	5,934,549,093	140,881	5,678,509,000
MOJAZ Foundation	16,810	367,682,821	5,712	342,366,000
Micro Options	4,476	80,870,002	1,958	50,523,000
Naymet Trust	2,877	16,050,278	177	2,685,000
Orangi Charitable Trust	45,709	599,544,520	14,287	338,815,500
SAFCO Support Fund	62,095	855,761,504	28,820	699,425,000
Soon Valley Development Program	7,228	164,577,731	4,079	129,450,000
Total for MFIs	1,454,240	25,442,547,982	687,405	20,858,220,500
RSPs				
National Rural Support Programme	664,932	12,341,175,553	335,812	10,204,687,636
Punjab Rural Support Programme	65,020	1,171,114,213	34,943	850,540,000
Sindh Rural Support Organization	67,566	1,223,461,428	26,721	662,477,000
Thardeep Rural Support Programme	124,040	1,784,199,477	70,356	1,420,286,000
Total for RSPs	921,558	16,519,950,671	467,832	13,137,990,636
Others				
Al-Mehran Rural Development Organization	11,188	124,515,078	2,414	66,907,000

MFP	Active Borrowers	Outstanding Loans Portfolio (Rs)	Number of Loans Disbursed	Disbursements (Rs) [July-Dec]
AGAHE	14,269	201,154,353	7,786	186,825,000
Baadban Enterprises Development	1,868	26,143,781	801	21,660,000
BRAC	56,327	1,505,789,066	29,643	1,339,134,000
Islamic Relief Pakistan	4,501	87,793,253	2,252	67,477,480
Jinnah Welfare Society	45,852	821,912,801	19,317	741,355,000
Orix Leasing	21,966	396,609,037	4,391	157,083,000
Organization for Participatory Development	5,492	81,138,896	2,334	63,902,000
Rural Community Development Program	76,855	1,578,198,645	36,906	1,318,160,000
Shadab Rural Development Organization	3,029	87,332,878	320	9,970,000
Shah Sachal Sami Foundation	7,800	102,206,759	3,702	71,464,074
Support With Working Solutions	2,082	8,690,608	99	4,180,000
Villagers Development Organization	1,872	19,411,011	115	9,157,000
Total for Others	253,101	5,040,896,166	110,080	4,057,274,554

Source: Pakistan Microfinance Network (PMN)

III. Zakat Zakat plays an important role in poverty alleviation. Zakat funds are utilized for assistance to the needy, indigent, poor, orphans, widows, handicapped and disabled. These poor segments of society are provided Zakat funds either directly through respective local Zakat Committee or indirectly through institutions i.e. educational, vocational, social institutions and hospitals, etc.

Under the 18th Constitutional Amendment, the subject of Zakat has been devolved to the provinces/federal Areas. However, in view of Council of Common Interest (CCI) decision 8th November, 2012 and subsequent change in Rules of Business, the federal government (Ministry of Religious Affairs and Inter-Faith Harmony) has been assigned the job of collection and disbursement of Zakat at federal level till next NFC under the CCI approved formula. A total amount of Rs. 7570.910 million is distributed in bulk amongst the provinces and other administrative areas for FY2017. The Zakat funds disbursed to the provinces and federal areas during FY2017 is given in Table 15.6.

S.No	Provinces /Other Areas	(Rs. Million)
1	Punjab	4038.687
2	Sindh	1669.408
3	Khyber Pakhtunkhwa	973.059
4	Balochistan	359.792
5	ICT	186.230
6	Gilgit-Baltistan	98.414
7	FATA	245.320
Total		7570.910

Source: Ministry of Religious Affairs and Inter-Faith Harmony

IV. Pakistan Bait-ul-Mal (PBM) Pakistan Bait-ul-Mal (PBM) is making a significant contribution towards poverty reduction through its various poorest of the poor focused services such as providing assistance to destitute, widows, orphans, invalid, infirm and other needy persons, as per eligibility criteria approved by Bait-ul-Mal Board. During July 2016 to March 2017, Pakistan Bait-ul-Mal (PBM) has disbursed an amount of Rs. 2183 million through its core projects/schemes. The following are the ongoing core projects/schemes:

Major Projects/Achievements of PBM

Individual Financial Assistance (IFA) Through Individual Financial Assistance (IFA), the poor, widows, destitute women and orphans were supported for medical treatment, education, rehabilitation and general assistance. An amount of Rs. 1,264 million has been disbursed during the period July to March, 2017.

Special Friends of PBM PBM is providing wheel chairs to every disabled in the country. A family who has two or more special children is called as Special Family and have the right to benefited through this new scheme. Rs.25,000/- is being given to each family annually having two or more disable members and Rs.10,000/- annually for one disable member of a family. An amount of Rs.69 million has been disbursed during July to March, 2017 under PBM special friends programme.

- a) **Child Support Programme** PBM has distributes as conditional cash subsidy to eligible beneficiaries who send their children to school for primary education aged between 5-16 years. Additional cash incentive is also paid to the eligible beneficiaries @ Rs.3600/- per annum to the families with one child and Rs.7200/- per annum to the families with two or more than two children. Presently, the program is fully active in 13 districts. A new intervention of disbursing (CSP payment subsidy through biometric verification has also been introduced). During July-March, 2017 an amount of Rs.29 million has been disbursed.
- b) **Institutional Rehabilitation for NGOs** Pakistan Bait-ul-Mal provides grant-in-aid to registered Non-Government Organization (NGOs) having excellent track record aimed at institutional rehabilitation of the poor and deserving persons of the society especially for persons required cataract surgeries. During July to March, 2017 an amount of Rs.30 million has been disbursed.

- c) **National Centre(s) for Rehabilitation of Child Labour (NCsRCL)** PBM has established National Centres for Rehabilitation of Child Labour (countrywide) since 1995 for primary education. Children (Male & Female) between the ages 5-6 years are weaned away from hazardous labour and enrolled in these centers. The current strength of NCsRCL is 159. Under this project an amount of Rs.318 million has been spent during July to March, 2017.
- d) **Vocational Training Centres (VTCs):** Vocational Training Centres have been established throughout the country since 1995. These centres are providing free training to widows, orphans & poor girls in different skills. The current strength of the centers are 157, such as Computer Skills, Office Equipment i.e. Fax, Photocopies, Printers, Interior Decoration, Fishing Tie & Dye ad Glass Painting etc, local skills have also been included so that trainees could get more skills. Under this project, an amount of Rs.182 million has been spent during July to March, 2017.
- e) **Pakistan Sweet Homes (Orphanage)** 35 Pakistan Sweet Homes (Orphanage) are established for the orphan children where they are being provided free food, nutrition, medical treatment, lodging & boarding, as well as free education through well reputed educational institutions. During July-March, 2017 an amount of Rs. 272 million has been utilized.
- f) **PBM Great Homes (Old Homes)** To provide care, love, hopes, family like atmosphere and security to un-secured senior citizens, PBM has established 02 Great Homes one in Lahore and one in Karachi for old age citizens. After successful implementation of the pilot phase, this scheme will be replicated for females as well. Great Homes provide basic necessities of life in a dignified manner and in a family like environment i.e. boarding, lodging, food, clothing, medical, recreation etc. During July-March, 2017 an amount of Rs.19 million has been disbursed.

NEW INITIATIVES

- i. **PBM Thalassemia Center** Thalassemia is a blood disorder passed down through families (inherited) in which the body makes an abnormal form of hemoglobin. During last three years, PBM has provided financial assistance of 1500 Thalassemia patients. Keeping in view the importance of Thalassemia centre and to cater the Thalassemia patients in Pakistan especially AJK, Northern Areas and Gilgit-Baltistan, PBM has established State of the Art Thalassemia Centres in Islamabad and Chakwal where PBM is providing free of cost blood transfusion services and medicines to the needy and deserving patients.
- ii. **Prime Minister’s National Health Insurance Programme** Prime Minister’s National Health Insurance Program will provide inpatient hospitalization insurance coverage to 3.10 million enrolled beneficiaries. The coverage limits are Rs. 50,000 for secondary care services and Rs. 250,000 for tertiary care for specified diseases as per the program parameters. PBM will provide the coverage to patients

who will completely utilize its basic coverage limit.

V. Employees Old Age Benefits Institution (EOBI) Employees Old Age Benefits Institution (EOBI) provides monetary benefits to old age workers through various programmes such as Old Age Pension, Invalidity Pension, Survivors pension and Old Age Grants.

Pensions are paid on monthly basis. The minimum pension is Rs. 5,250/- per month which may raise upto Rs. 10,920/- depending upon the period of insurance and wages of the insured person@ Rs. 13,000/-. Old-age grant is paid in lump sum equal to one month’s average wages of the insured person for every completed year of insurable employment. During 1st July, 2016 to 31st March, 2017, an amount of Rs. 17,921.7 million has been disbursed to 405,460 beneficiaries. Furthermore, it is planned that 24,050 more beneficiaries will take benefits from the EOBI up to June 2017; an additional amount of Rs. 6,728.3 million is allocated for Old-Age Pension, Survivors Pension, Invalidity Pension and Old-Age Grants. The details of disbursed benefits during FY 2017 is shown in Table-15.7 below.

Benefits	July-March, 2016-17	
	Number of beneficiaries	(Rs. millions)
Old-age pension	248,740	11,278.511
Survivors’ pension	148,829	6,326.908
Invalidity pension	5,660	245.444
Old-Age grant	2,231	70.836
Total	405,460	17,921.699

Source: Employees’ Old Age Benefits Institution (EOBI), Karachi

VI. Workers Welfare Fund (WWF) Workers Welfare Fund has been established under Workers Welfare Fund Ordinance, 1971 for providing low cost housing and other welfare facilities to the workers of industrial labour.

Functions performed by Workers Welfare Fund

- To finance the projects connected with the establishment of housing estates for workers which include the following;

- a) Construction of houses, flats and development of residential colonies for workers
- b) Provision of health facilities to workers and their families
- c) Establishment of schools for the workers children
- Establishment of new high secondary schools in all major industrial cities where either such facilities do not exist or these

facilities are not sufficient to meet the rising demand of local workers

- To provide Death Grant @ Rs.500,000/- to the widow/legal heir of the deceased workers as a compensation.
- To provide Marriage Grant @ Rs.100,000/- for the marriage of daughters of workers.

During July-March, FY2017 expenditures amounting to Rs.338.801 million have been incurred on scholarships. Another Rs. 9.470 million has been disbursed as Marriage Grant (@100,000/- which benefitted 95 workers' families. WWF has also disbursed Rs.12.80 million as Death Grant (@500,000/-) to 26 cases of mishaps of workers all over the country.

Conclusion

Social safety net programmes including Benazir Income Support Program (BISP), Pakistan Bait-

ul-Mal (PBM), Zakat, Employees Old Age Benefit Institution (EOBI), Workers Welfare Fund (WWF) and Pakistan Micro finance network are contributing considerably to protect poor and vulnerable segment of the society.

The government is committed to effectively implement social protection and poverty alleviation programmes by allocating substantial amount under different schemes and ensuring transferring of all the available resources to the marginalized segment of the society. Furthermore, provincial social protection programmes and pro-poor spending are also making significant contribution in poverty reduction and in uplifting the socio-economic condition of common man in the country. Investing in people, updating their living standards, alleviating poverty and protecting vulnerable, the poor, the elderly and the weak remain key priority areas.