Impact of Ehsaas Strategy

by Ahmed Ali Khattak, 28.06.2024

Objectives

Provide context and scope of Federal Initiatives

Provide overview of the progress across 5 key dimensions over the last 3-5 years

Show select deep dives of the dimensions

Share learnings

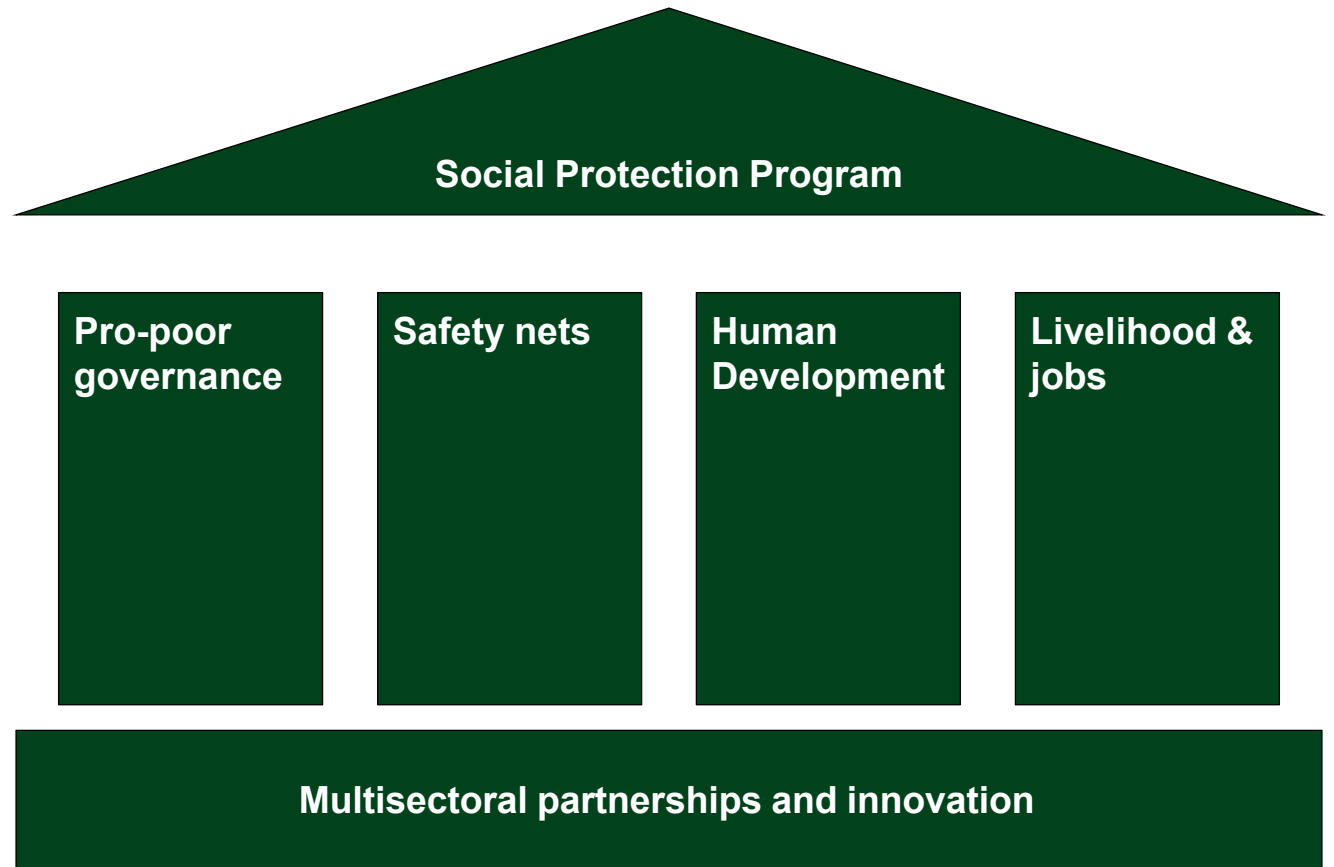# Poverty in Pakistan continues to remain a critical issue..

- **21.5% people living below poverty** line in 2018, which was estimated to rise to ~40% post COVID and floods

- **38.8% people living in multi-dimensional poverty** (including education, health and living standards) in 2018

- Key development indicators are lagging peer countries

  — **40% stunting in children** (one of highest prevalence globally), and rising

  — **Literacy rate has been stagnant at 60% since 2014-15**

  — **Only 7% women** have bank accounts

..and to address that, a Social Protection and poverty alleviation program was l in 2018

Vision of the SP program

Ministry of Poverty Alleviation and Social Safety's vision is to establish an end-to-end system of social protection in the country by offering basic provisions of life and economic opportunities that will lift vulnerable groups out of poverty. It upholds the principles of transparent governance, equal opportunity and social welfare by leading initiatives and programmes providing protection against social and economic distress.

Guiding pillars of the Social Protection program

Social Protection Program

| Pro-poor governance | Safety nets | Human Development | Livelihood & jobs |

Multisectoral partnerships and innovation

Funds allocated to Ehsaas have grown by ~16% YoY

**Ehsaas budget allocation and utilisation,** PKR Bn

Budget allocated to Ehsaas has **increased by ~16% year on year** to supplement **expansion of program scope**

Budget is allocated to **MoPASS and its 4 ancillary organization** – BISP, PBM[1], PPAF[2] and TVO[3]

BISP spearheads majority of the **high impact Ehsaas initiatives** and consequently receives **~80%-90%** of the funds allocated for Ehsaas

Legend:
- (%) Utilization
- Budget utilized
- Budget unutilized
- Budgeted amount for current fiscal year

Chart data:

Year	Utilization	Total	Budget utilized
2019-2020	100%	245	245.024
2020-2021	~99%	203	202.701
2021-2022	~94%	280	263.114
2022-2023	N/A	377.686	

+16% p.a.

1. Pakistan Bait-ul-Maal
2. Pakistan Poverty Alleviation Fund
3. Trust for Voluntary Organizations
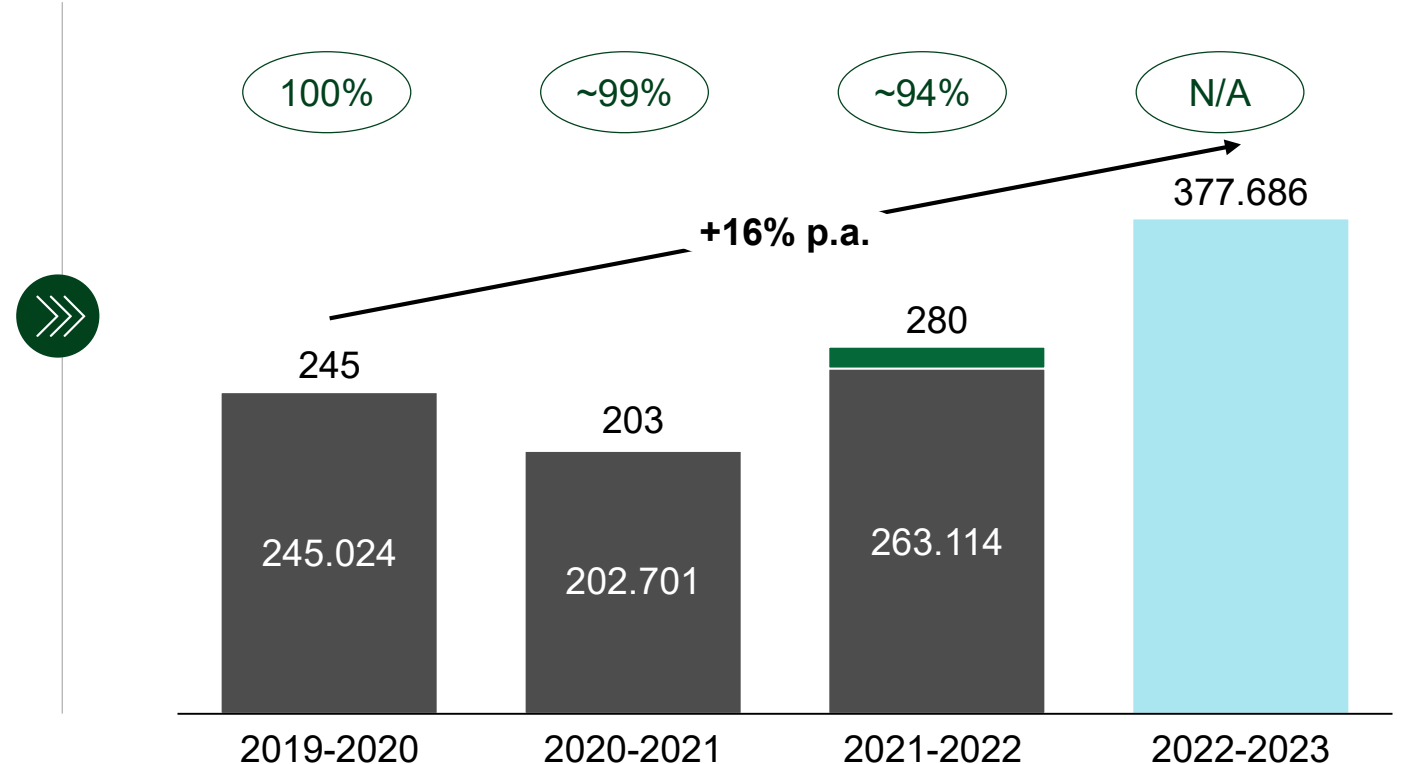
SP across three delivery horizons over 3-4 years to ensure program sustainability..

Year 1: *Define govt's strategy; build and execute initiatives*

Year 2-3: *M&E and existing programs, design new initiatives*

Year 3-4: *new programs (ongoing)*

	Year 1	Year 2-3	Year 3-4
Vision/strategy	Defined long term strategy for Ministry Set up M&E and implementation mechanism	Transitioned to SAPM/Minister-led performance mgmt. and program reviews Scaled operations of healthcare program Supported (re)launch of subsidy, nutrition, and education programs	Continue performance management and program review Tahafuz software deployment and complete handover from Valentia to NITB Finalize operational guide and Secretary workplan targets Embed Tahafuz into department
Funding	Only used existing budgets No new programs could be launched given out of sync with budget cycle	Leveraged govt. project funding for new interventions (e.g., Tahafuz, Soup Kitchens)	Transition programs into the department budgets
Capacity building	McKinsey-driven given time to recruit	Set up and supported 2 Delivery Units (DU) of 10-15 people each; day-to-day operations passed to delivery units	Fully handover execution responsibilities to Delivery Units and embed into Department

..to help deliver across 5 key areas

Scope of work

Increase breadth and depth of existing programs

Respond to shocks

Transition social protection to conditional transfer

Deploy new precision targeted mechanism

Organization & governance

Impact

Dedicated Ministry, fully trained **PMUs (~100 people), governance mechanisms and cadences** for sustainability

~3.7 Mn additional families get **unconditional cash transfer,** with a **17%** increased amount

~17 Mn families provided **emergency cash assistance** as part of COVID-19 relief

~4X increase in scale of **education stipend program,** with **~2X-4X** growth in cash transfer per family

Successful proof of concepts for first of its kind E2E digital **targeted subsidy, targeted catastrophic healthcare expenditure program**

MoPASS has also engaged with multiple other donor organizations for various poverty alleviation initiatives

Legend: ─── Initiative ─── Partner organization ─── Donor organization

#	Initiative	Partner	Donor
1	Nashunuma	BISP	WFP World Food Programme / unicef
2	Crisis Résilient Social Protection (CRISP)	BISP	WORLD BANK GROUP
3	Integrated Social Protection Development program (ISPDP)	BISP	ADB Asian Development Bank
4	National Poverty Graduation programme (NPGP)	MoPASS	IFAD International Fund for Agricultural Development
5	Programme for poverty reduction	PPAF	Italian Agency for Development Cooperation
6	Poverty Graduation for Afghan refugees	PPAF	UNHCR The UN Refugee Agency
7	Hydro and Renewable Energy	PPAF	KFW IPEX-Bank Bank aus Verantwortung
8	Livelihood Community Physical Infrastructure	PPAF	KFW IPEX-Bank Bank aus Verantwortung

8

We have supported multiple programs for progress on poverty alleviations over the last 3 years (1/4)

● Initiatives/policies introduced post 2019

		Initiative	Description	Impact[1]
1	**Increase breadth and depth of existing programs**	**Ehsaas Kafaalat**	Unconditional cash transfers of PKR 7,000 every quarter to female head of households below income level of PKR XX a month (YY USD)	• **~2X** increase in beneficiaries (from 4.3 Mn to 8 Mn) • **~30%** increase in annual disbursement amount per beneficiary
		Undergraduate scholarship	Need and merit-based scholarships covering 100% of tuition fee for undergrad students enrolled in public universities for 4-5 years, with a monthly stipend of PKR 4,000	• **~ 60%** increase in beneficiaries (from 50K to 80K) • **~40%** increase in amounts disbursed (from PKR 5 Bn to PKR 7 Bn)
		Interest free loans	Interest free loans provided (through loan centres) to promote micro-enterprise activities enabling people to graduate from poverty	• **~3X** increase in beneficiaries (from 70K to 185K) • **~520K loans** disbursed • **1000+** centres established • **~PKR 20 Bn** funds utilized
		NSER survey	Dynamic dataset that is used to calculate proxy means score, based on 43 socio economic indicators collected through door-to-door surveys	• **100%** refresh of registry • **~20%** add. households registered (from 27 Mn[2] to 34 Mn)
2	**Respond to shocks**	**Emergency Cash transfer** ●	Introduced first of its kind emergency cash transfer during covid-19 offering a one-time cash transfer of Rs. 12,000 using 100% biometric payment system	• **~ 17 Mn** beneficiaries served • **~PKR 210 Bn** cash disbursed
		Rashan program ●	Initiated program to ensure provision of meals / necessities to eligible households during the early COVID-19 lockdown	• **~10 Mn+** households served
3	**Deploy new precision-targeted mechanism**	**TCSP[3]** ●	Launched one of its kind end-to-end digitally enabled targeted commodity subsidy program to support against inflation for 20 Mn families by providing subsidy of PKR 1000/month per family on 3 staple items- flour, oil and pulses	• **~4.28 Mn** eligible beneficiaries • **~ PKR 5.6 Bn** subsidy disbursed • **~4.6 Mn** transactions conducted

1. Progress for all initiatives measured from 2019-2020 to 2021-2022 except for ones launched in 2020-2021
2. In 2011 survey
3. Launched in 2022

We have supported multiple programs for progress on poverty alleviations over the last 3 years (2/4)

🟢 Initiatives/policies introduced post 2019

		Initiative		Description	Impact[1]
3	**Deploy new precision-targeted mechanism** (cont….)	Tahafuz	🟢	Launched catastrophic health expenditure program launched to protect vulnerable communities by financing treatment cost of eligible beneficiaries	• **~3.2** patients served • **14** active hospitals
4	**Transition social protection to conditional transfer**	School stipends		Educational conditional cash transfer program to ensure school enrollment and attendance with eligible children receiving quarterly stipends ranging from PKR 1500- 4000	• **~ 4X** increase in beneficiaries (from ~1.3 Mn to ~5.2 Mn) • **~ 2X-4X** increase in stipend amount[2]
		Nashonoma	🟢	Introduced nutrition conditional cash transfer program to provide nutrition support and reduce stunted growth in children through cash transfer per quarter of PKR 1,500 per PLW[3] and boy child and PKR 2,000 per for girl child	• **~ 175K** beneficiaries • **~ 90** centres established in **30** districts • **~PKR 6k-8K** per year per beneficiary
5	**Overarching governance**	Ehsaas Delivery Unit	🟢	Established dedicated delivery unit of 13 members within MoPASS with 4 key functions: M&E, Advisory support, Strategic roll-out and communication and stakeholder management	.N/A
		MoPASS strategy		Supported development of SP strategy, which governs all programs and policy initiatives of GoP to alleviate poverty	N/A
		Dashboards for monitoring	🟢	Karkardagi dashboards developed for 3-4 workplans monitoring covering ~300 initiatives	N/A

1. Progress for all initiatives measured from 2019-2020 to 2021-2022 except for ones launched in 2020-2021
2. For primary school children, amount increased from 3000 per annum to 6000 per annum for boys and 8000 per annum for girls, whereas for secondary and high school children the amount goes as high as 12000 per annum
3. Pregnant Lactating Women

We have supported multiple programs for progress on poverty alleviations over the last 3 years (3/4)

● Initiatives/policies introduced post 2019

		Initiative		Description	Impact[1]
⑤	**Overarching governance (cont...)**	**Governance observatory**	●	Governance observatory policy developed with 23 metrics to promote accountability, efficiency and transparency across MoPASS and its ancillary organizations through semi-annual cycles, with 3 cycles successfully completed and one underway	
		One-Window centres	●	Centres planned to facilitate all Ehsaas beneficiaries awaiting Ehsaas services under one roof (footnote facilities available)	• **1 centre** established
		Automation of systems	●	IT upgradation of PBM centers (DuEs, Panahgahs etc..) to ensure efficiency in day-to-day operations	• IT desks established in **8 hospitals** • Registration desks established in **11 districts**
		2047 strategy vision	●	Co-developed long-term vision to alleviate poverty, highlighting ambitious yet tangible targets to be met by 2047	N/A
⑥	**Others**	**Panagahs and Langarkhanas**	●	Launched flagship shelter and soup kitchen initiative providing temporary and free accommodation as well as food to labourers	• **~ 400K** beneficiaries served • **~3 Mn** meals distributed
		Amdan program		Asset transfer program to deserving beneficiaries enabling them to graduate out of poverty. Assets include livestock, agri inputs, rickshaws etc..	• **~2.5X** increases in eligible beneficiaries (from 20k to 50K) • **~79K** assets transferred • **~27K** trainings conducted

1. Progress for all initiatives measured from 2019-2020 to 2021-2022 except for ones launched in 2020-2021

We have supported multiple programs for progress on poverty alleviations over the last 3 years (4/4)

🟢 Initiatives/policies introduced post 2019

	Initiative		Description	Impact[1]
6 Others (cont...)	**Ehsaas Mobile App**	🟢	Launched 'Ehsaas Mobile App', through which consolidated information will be digitally available for citizens about all the programmes and facilities being offered under the umbrella of `Ehsaas programme'	N/A
	Expo 2020	🟢	Enhanced global recognition of Ehsaas by participating in a panel discussion featuring poverty alleviation experts at Dubai Expo 2020	N/A
	Donor management system	🟢	Designed the donor management system to accept transparent donations from private individuals and entities	N/A
	Kafaalat payment mechanism	🟢	Developed a detailed re-design of Pakistan's premier social safety UCT program after engaging with multiple stakeholders to a re-imagined disbursement mechanism that will lead to financial inclusion of over 12 Mn beneficiaries	N/A

1. Progress for all initiatives measured from 2019-2020 to 2021-2022 except for ones launched in 2020-2021

2. Emergency Cash was a targeted response to COVID-19 shock, and was launched only 2 weeks after lockdown

Support to existing vulnerable and new vulnerable, **daily wage workers,** to respond to COVID led job loss

Provide Rs.12,000 cash transfer to people through **designated campsites**, despite national COVID lockdown

Used previously **existing digital capabilities** under the newly launched flagship social protection program to deliver new program **2 weeks after crisis**

Multi-stakeholder whole-of-government approach deployed, involving Federal, Provincial and district governments, national institutions and law enforcement agencies for delivery

Program used an **SMS-based targeting system** to identify beneficiaries, while eligibility was determined by **updated social protection household registry and advanced wealth profiling**

Program impact

Beneficiaries served	**~15 Mn**	
Funds disbursed	**~1.2 Bn USD** (third largest program COVID relief globally)	
Beneficiary satisfaction with the process	**~95%**	
Share of spend used towards food, water and purchase of household supplies	**~90%**	

2. Rashan Program provided meals to 12 Mn+ households during COVID lockdown
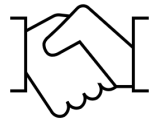
First of its kind **public-private partnership for national food disbursement** to vulnerable households during Covid-19
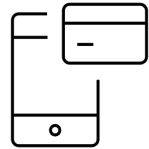
Digital platform developed removing any duplication in disbursements that can happen in individual rashan disbursement efforts
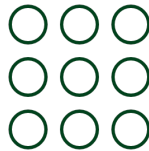
End-to-end digital matching process using web portal developed where both donors and beneficiaries register

Fair targeting of beneficiaries using verification checks[1] ensuring only most deserving receive donations
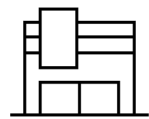
Transparency ensured with Government not involved in any monetary transactions and only responsible for **matching vetted donors to eligible beneficiaries**

Private donors onboarded **4**

Meals pledged to donate **12 Mn+**

1. E.g. checking individuals for citizenship, travel history, automobile ownership etc. and ensuring only one member from the household qualifies as eligible for food supplies

3. Targeted commodity subsidy was launched as a precision targeted mechanism using E2E digital solution

Support for vulnerable groups in Pakistan to help tackle inflation

Reduce cost of commodity at point of sale (rather than general cash transfer)

Precision target beneficiaries (rather than across the Board subsidies) via consolidated citizen data

Provide subsidy through eligible **neighborhood Kiryana stores** to ensure ease of access

Use of **technology** to enable **secure real-time transactions** - OTP on registered mobile numbers and real-time payment settlement

New transactions per month, millions of transactions

	February	March	April	May	June	Total
	0	0.4	0.8	1.3	2.2	4.7
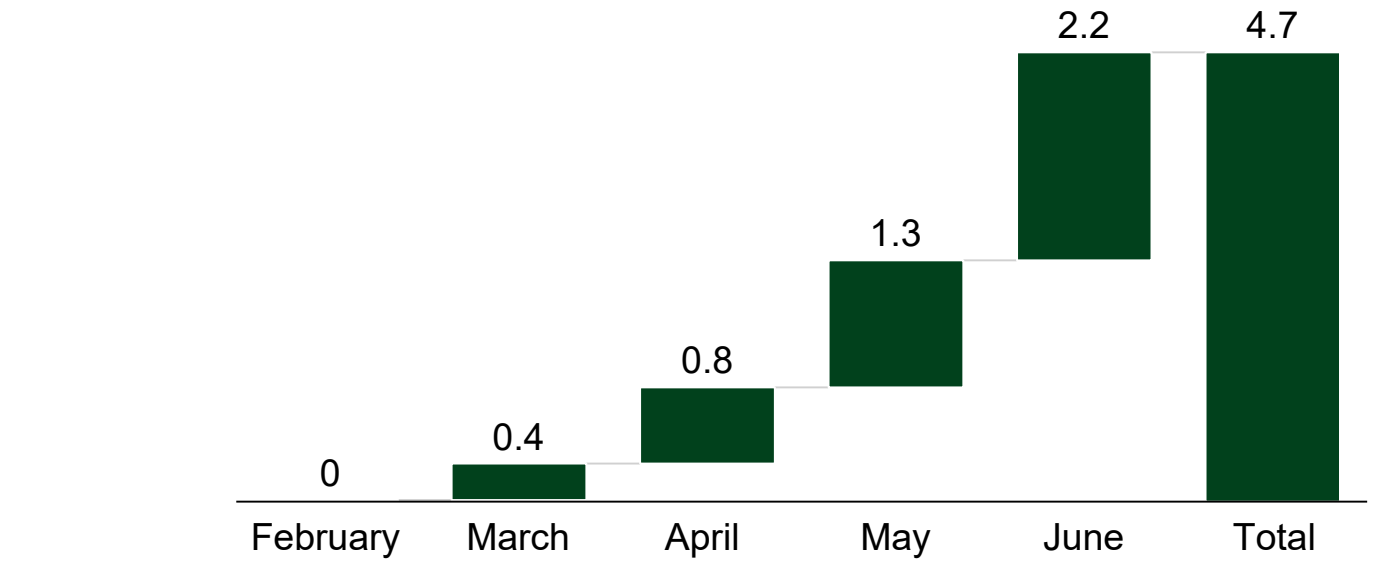
Subsidy disbursed, PKR Mn

February	March	April	May	June	Total
13	325	879	1,692	2,664	5,573

20 Mn target families   **PKR 1000 per family per month**   **35/65 Federal provincial sharing**

3. Tahafuz was launched as a precision targeted mechanism to support vulnerable in catastrophic health situations
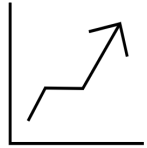
First of its kind **social safety net to provide coverage** against **catastrophic health expenditure**
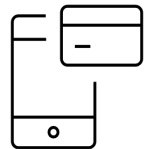
End-to-end automated digital process managing activities such as request generation and verification along with healthcare financing post treatment

Precision target beneficiaries (rather than universal disbursal) via consolidated citizen data
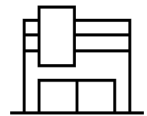
Provide **free of cost** treatment at empaneled hospitals

Dedicated Program Monitoring Unit of ~50 members established for managing end to end logistics and administrative processes
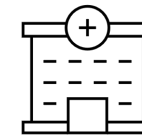
Active hospitals	**14**
Patient requests processed	**~ 18K**
Patient requests approved for treatment	**~ 13K**
Patients treated (payment made by Tahafuz to hospitals)	**~ 3K**

4. Nashonuma was launched as a conditional cash transfer to address stunting in children

Support for **PLWs[1] and children under the age of 2 years to address stunting (40% stunting in children)**

Provide free of cost **awareness, immunization, and specialized nutrition food quarterly**

PKR 1500 per quarter for PLWs[1] and male children, PKR 2,000 for girls

Provide provisions and cash amount through **Tehsil level designated centers**

Use of **technology** to enable tracking of conditions and payment status

Progress to date	**End goal** (to be achieved by 2024)
~175K beneficiaries enrolled	**~1.5 Mn** beneficiaries to be enrolled
30 districts covered	**160** districts to be covered
90 centers established	**500** centers to be established

1. Pregnant and lactating women

5: Governance observatory was introduced to initiate and track governance reforms in all MoPASS ancillary organizations

Formal policy established (Governance and Integrity Policy) to limit opportunities for corruption and **promote efficiency, transparency and accountability** across Ministry and its ancillary organizations

Governance observatory set up with **~23 metrics** to monitor adherence to policy through semi-annual cycles

3 successful cycles of governance review conducted, with actionable next steps and monitoring

Data collection across the 4 organizations has been standardized

And a standard dashboard is presented with performance of all entities together

5. One Window Ehsaas was launched to consolidate all the Government's social protection resources and programs

Provide streamlined beneficiary experience by providing all Ehsaas related programs and services under one roof
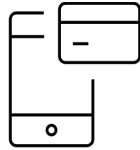
Ensure ease of access to beneficiaries by setting up physical centres as well as availability of all information online on a single platform

6 key pillars of One Window:

- **Ehsaas One-Window Beneficiary Selection and Targeting Policy**
- **Physical Ehsaas Center** providing access to all Ehsaas services1
- An **e-portal** containing information on all programs
- **Ehsaas mobile app**
- **Integrated national socioeconomic database**
- **Back-office digitization to** improve processes

Model one-Window centre operationalized

App launched

E-portal launched

Policy finalized

Integrated NSER completed

5: DU was setup to enable delivery of Social Protection strategy

Mandate of the Delivery Unit

- **Evaluate induction of initiatives** in the Ehsaas program

- **Design and detail Ehsaas initiatives** from an idea to concept

- **Performance manage initiatives** for Ehsaas & PASSD

- **Provide subject matter expertise** to the program

- Support the program in **developing and implementing a holistic communication plan**

Organizational design of the Delivery Unit

```
                    Delivery Unit
                         |
    ┌──────────┬─────────┴─────────┬──────────┐
 M&E and     Advisory        Comms &      Strategic Roll-
 Data        Support         Stake-holder  out
 Analytics                   engagement
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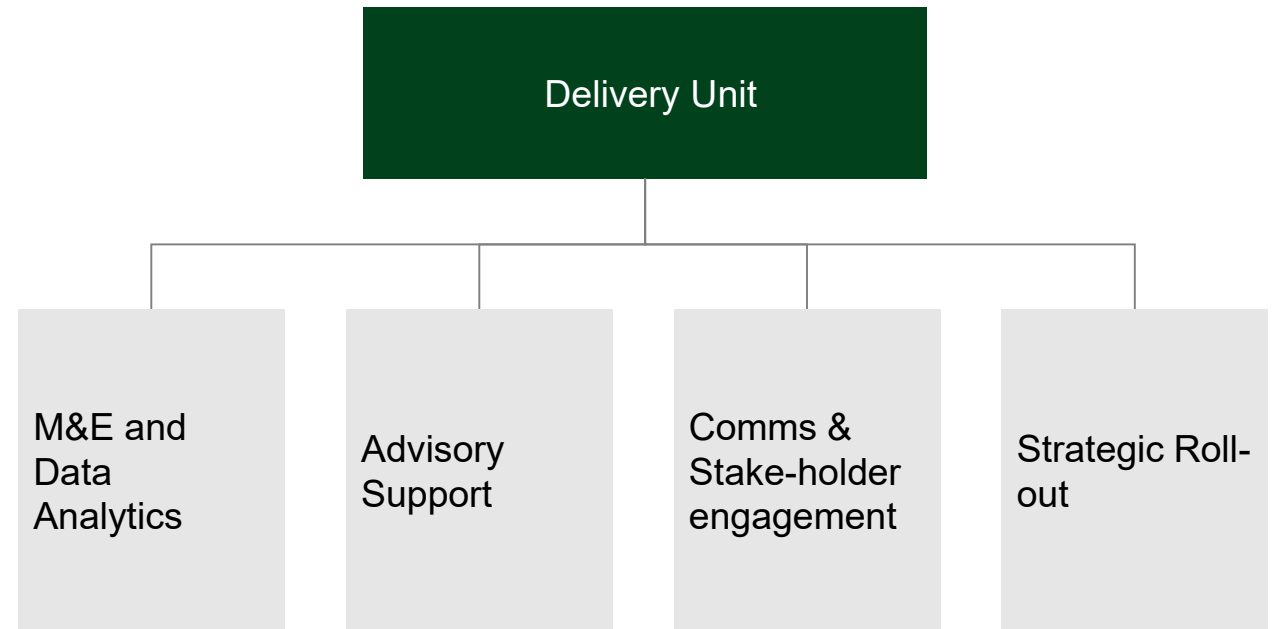
Each department has 2-3 team members

5: Various dashboards were developed for regular monitoring and progress reviews

Overall, SP strategy status
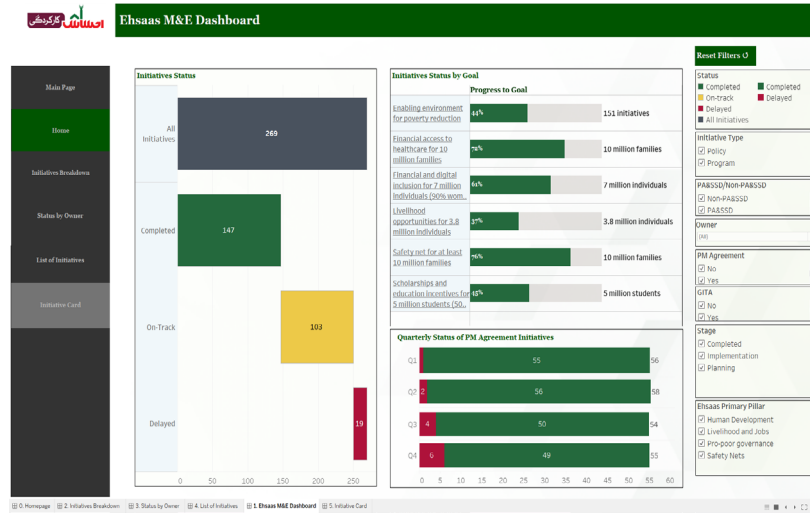
Governance observatory standardized data collection template

Initiative level tracking view

Governance observatory dashboard

Our Learnings

Learning	Description
Invest in a reform champion	Minister was seen as a reform-minded technocrat who came in with direct backing of the Prime Minister
(Continuously) bring along senior stakeholders	Brand new department took 6-9 months to create; multiple leadership changes across 2 key departments each required continuous senior stakeholder alignment
Solve for early wins	Covid-19 relief effort (cash + food support) was the turning point resulting in greater influence over performance management in 2021
Budgets are a smaller challenge than perceived	Existing programs were always budget constrained; funding for new efforts (e.g., healthcare) was not difficult but took 6-9 months
Capability building is critical	Hiring Delivery units of 25+ people has been critical for day-to-day operations, however, de-bottlenecking / (continuous) program reviews / scale-up plans require significant involvement
Effort must be stage-gated to stay disciplined	ambitious 5 year targets but with an annual performance agreement with the Prime Minister providing a yard-stick for delivery

Backup

Minister for Poverty Alleviation set an ambitious 5-year roadmap and created a brand-new department to help achieve goals across each pillar

Pro-poor governance

Initiatives and policies to strengthen support for poor

Safety nets

Provide cash and in-kind assistance to the most destitute

Human Development

Support development by incentivizing right behavior

Livelihood & jobs

Provide dignified jobs and graduation from poverty

Form **a welfare state** with rule of law, meritocracy, accountability in governance, and equal opportunity for all those who need it

1 Safety net for at least 10 million families

2 Financial access to healthcare for 10 million families

3 Scholarships & incentives for more than 5 million students (50% girls)

4 Livelihood opportunities for 3.8 million families

5 Financial & digital inclusion for 7 million individuals (90% women)

6 Enabling environment for poverty reduction
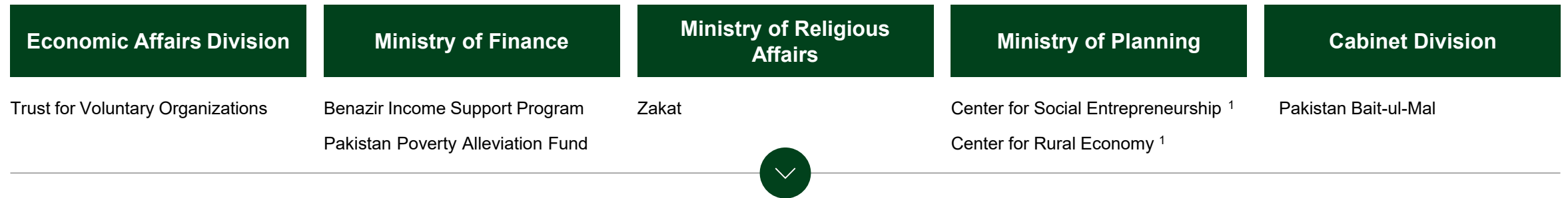
7 Promoting multi-sectoral partnerships and innovations

All relevant social protection organizations have been consolidated under MoPASS to ensure complete stakeholder alignment in achieving key goals

Previously, various social protection organizations were part of different Ministries

Economic Affairs Division	Ministry of Finance	Ministry of Religious Affairs	Ministry of Planning	Cabinet Division
Trust for Voluntary Organizations	Benazir Income Support Program	Zakat	Center for Social Entrepreneurship [1]	Pakistan Bait-ul-Mal
	Pakistan Poverty Alleviation Fund		Center for Rural Economy [1]	

Now all relevant organizations are consolidated under one Ministry with a clear poverty alleviation mandate

Ministry of Poverty Alleviation & Social Safety (MoPASS)

- Benazir Income Support Program (BISP)
- Pakistan Bait-ul-Mal (PBM)
- Pakistan Poverty Alleviation Fund (PPAF)
- Trust for Voluntary Organizations (TVO)
- Delivery unit
- Special programs e.g., Tahafuz
- Zakat
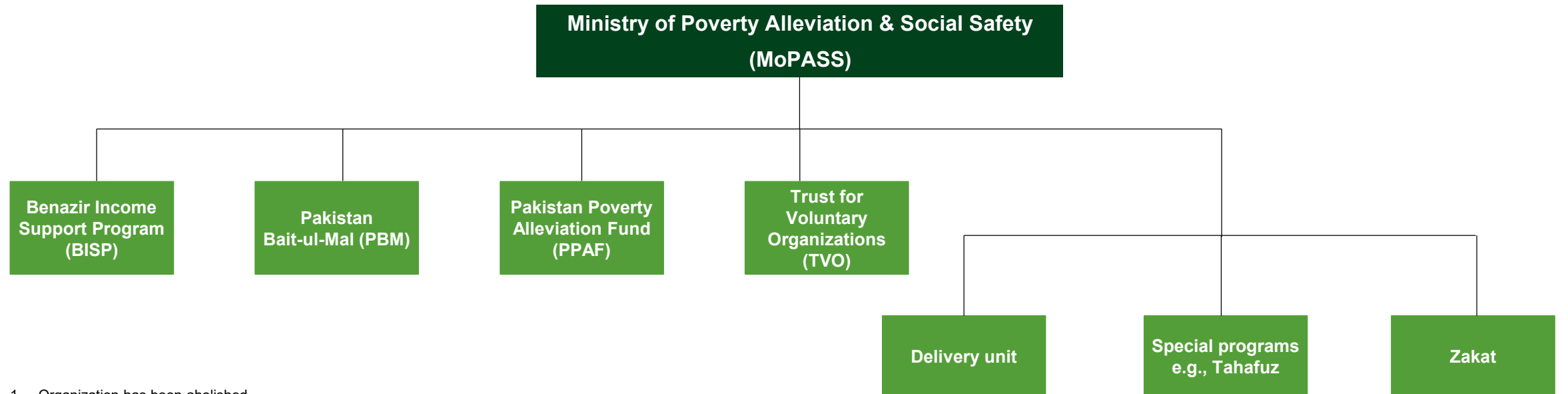
1. Organization has been abolished

Budget allocation of MoPASS and its ancillary organizations increased ~2X from 2020 to 2023 to support program expansion

Organization budget, PKR Mm

	2020-2021	2021-2022	2022-2023	
Total	203347	279875	377686	**+86%**
MoPASS	259	23794	5503	**+2000%**
BISP	194910	246000	364078	**+87%**
PBM	6105	6505	6040	**-1%**
PPAF	2,000	3500	2,000	**0%**
TVO	73	76	65	**-11%**