

Sectoral Program Review For Benazir Income support program (BISP)

Justification of the problem/Background

Policymakers in Pakistan are showing great concerns about households' access to food consumption, because of expensive food and their consumption is susceptible to both covariate and idiosyncratic shocks. Baluchistan has the greatest percentage of poverty, followed by Sindh, Khyber Pakhtunkhwa, and Punjab, with about 38% of the population living below the poverty line. Malnutrition and communicable as well as non-communicable diseases continue to be Pakistan's triple burden of disease. Hidden hunger and poverty have a major and serious impact on the economy and public health. This indicates that Pakistan loses 2-3% of its GDP annually, a situation that has tragically not changed over the previous four decades. According to the Food and Agriculture Organization (FAO) and the United Nations, up to 37.5 million people in Pakistan do not have access to a sufficient diet.

The Household Integrated Income Survey (HIES) 2018 found that low-income households are particularly susceptible to shocks in food prices, spending roughly 69.3% of their income on food. Furthermore, as two-thirds of Pakistan's people directly depend on agriculture, they are susceptible to shocks like disease, job loss, displacement, and conflict in addition to floods and droughts. The fact that households affected by the worst flood in 2010 were unable to fully recover from the damage indicates that the majority of these households lacked adequate coping mechanisms to deal with shocks.

Poverty is a violation of human dignity and a lack of opportunities and choices. Women's economic empowerment strategies are thought to be the direct route to ending poverty, achieving gender equality, and eventually achieving inclusive growth. Women are actively engaged in entrepreneurship, employment, and unpaid household labor. Programs for social protection have been seen as a new instrument for policymakers to combat poverty and vulnerability. The gender equality target of the Millennium Development Goals (MDGs) set forth by the United Nations calls for equal opportunities and chances for men and women. Women have distinct treatment from men in society, as well as several obstacles that reduce their opportunities for success, particularly in emerging and impoverished nations. These restrictions render women inactive members of the family and society in addition to limiting their access to higher education, the labor market, employment, and self-employment. She does not make decisions for the family or the household on her own. Experts claim that as time goes on, an increasing number of Pakistanis are becoming poor. Those who are poor are trapped in a never-ending cycle of frustration as the rich continue to get richer. Three classes make up the population of our nation: high class, middle class, and lower class. These groups include people who are struggling, poor, and even poorer, possibly including those who are unable to support a single family member as well as criminals who prey on this defenseless population, snatching away any hope they may yet have. Furthermore, Pakistan's political, financial, and economic turmoil since 2007 has been a potent driver for change. With the economy starting to deteriorate significantly in the fiscal year 2007-08, there was a macroeconomic crisis that resulted in sharp price increases, declining

exchange rates, and rising unemployment. Programs for cash transfers appear to be becoming more popular worldwide since 2000, becoming a global trend.

BISP and other safety net programs in Pakistan

In 2008, the Pakistani government implemented the Benazir Income Support Programme (BISP) intending to safeguard those in need from the adverse consequences of food scarcity and inflation, especially for women. BISP is regarded as Pakistan's greatest social security scheme in terms of the number of beneficiaries it serves. When comparing this social protection program to others, the Pakistani government is giving a larger share of funds.

Despite the completion of the government's tenure, the cash transfer program continues to operate. Each of these new initiatives was first introduced in a few selected regions of the nation to spread across the entire globe. Some of these programs are Waseela-e-Haq microfinance, which offers soft loans up to Rs 300,000 for starting small businesses to randomly selected households each month via computers; Waseela-e-Rozgar, which provides one member of the selected household with technical and vocational training to support his livelihood; Waseela-e-Sehat, which offers life insurance coverage of Rs 100,000 to the household's breadwinner; and Waseela-e-Taleem, which offers primary education to the children of the recipient household.

Goals of the BISP

The goals of BISP are following;

- Reduce poverty and promote equitable distribution of wealth, especially for low-income groups
- Strengthen the financial capacities of the impoverished and their dependent family members
- Develop and implement comprehensive policies and targeted programs for the uplift of the underprivileged and vulnerable people

The main objective of this program is to eliminate severe poverty by establishing a social safety net and empowering women through the allocation of funds that must be used for the benefit of their families. From 2008 to the present, Pakistan has seen significant political, economic, and social transformations. Similarly, this initiative has also evolved with time and now focuses on advancing education and employment prospects for individuals.

The primary goal of all these programs worked in conjunction with the United Nations' investment in global development through the MDGs and the Sustainable Development Goals (SDGs).

The three pillars of BISP are izzate-nafs, ba-ikhtiar, and maqsad-e-hayat, which translate to self-esteem, empowerment, and purpose of life, respectively. By providing financial support to the impoverished, BISP hopes to uplift their self-esteem by helping them especially women to take care of their families and give their life meaning. Thus, the Pakistani government became "Custodians of the Poor." The previous government completed these three expansions after taking power in 2013. They appear to have taken ownership of the initiative, using its expansion and closer alignment with the SDGs post-2015 United Nations goals as a feather in their crown. Additionally, it was closely in line with the procedures anticipated to achieve the MDGs when it was first implemented in 2008. Despite being a targeted unconditional cash transfer program, it does not require participants to meet any further requirements to continue receiving benefits other than meeting the eligibility requirement of being extremely poor.

Operational Areas

All four of the nation's provinces-Punjab, Sindh, Balochistan, and Khyber Pakhtunkhwa, as well as the Federally Administered Tribal Areas (FATA), Azad Jammu and Kashmir (AJK), and the Islamabad Capital Territory are implementing the BISP.

Grant/Funds Allocation

The World Bank and the Asian Development Bank are the donors and administrators of this program. The program begins by giving qualified female households with monthly incomes under Rs. 6000 a cash award of Rs. 1000 through banks or post offices. This represents a 20 percent increase, or 12 percent of the Pakistani minimum wage, for a low-income family with a monthly income of Rs 6000. It is important to note that the BISP cash support level is equal to 60% of Pakistan's official 2010 poverty line. Following Rs. 34 billion for the year 2008-09, an allocation of Rs. 70 billion for the 2009-2010 fiscal year covered five million families, or 15% of the total population. An allocation of Rs. 90 billion was made for the 2010-2011 fiscal year, with a goal coverage of 6.5 million families. Since the BISP's founding, the government has so far given its recipients payments totaling Rs. 93 billion.

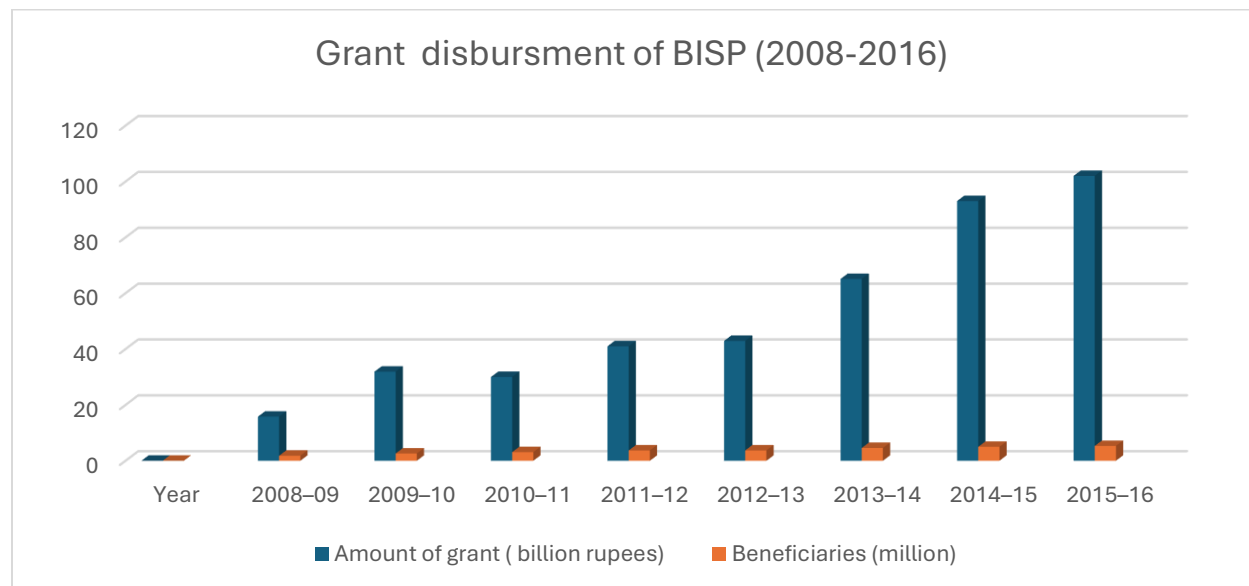
At first, Pakistan Post handled payments to the BISP-selected households, delivering the funds to the beneficiaries at their doorstep. The BISP is implementing more technology-based solutions to improve program transparency and lower the possibility of pilferage. Examples of these solutions include Benazir Debit Cards, which recipients can use to withdraw cash payments each month; Smart Cards, which are approved by commercial banks; and Phone to Phone Banking, which gives beneficiaries free mobile phones and SIM cards to transfer monthly cash assistance. The "Poverty Score Card Survey," which was conducted nationwide, helped identify households. The Proxy Mean Test method, which measures a household's welfare condition, has also been used to detect those who are poor. Targeting people or households below a predetermined threshold for scoring and weighting observable traits as substitutes for predetermined well-being

metrics is the Proxy Mean Test Score (PMT). When exact data is difficult or impossible to collect, it might be estimated income or consumption using the PMT.

Following the survey, the qualifying requirements for households to be eligible for the BISP's monthly cash transfer were revised and are now as follows:

- (1) The household's PMT score is 16.17 or below
- (2) Every married woman in a family is a beneficiary if her PMT score is below the threshold
- (3) A woman has a computerized national identity card (CNIC) issued by NADRA

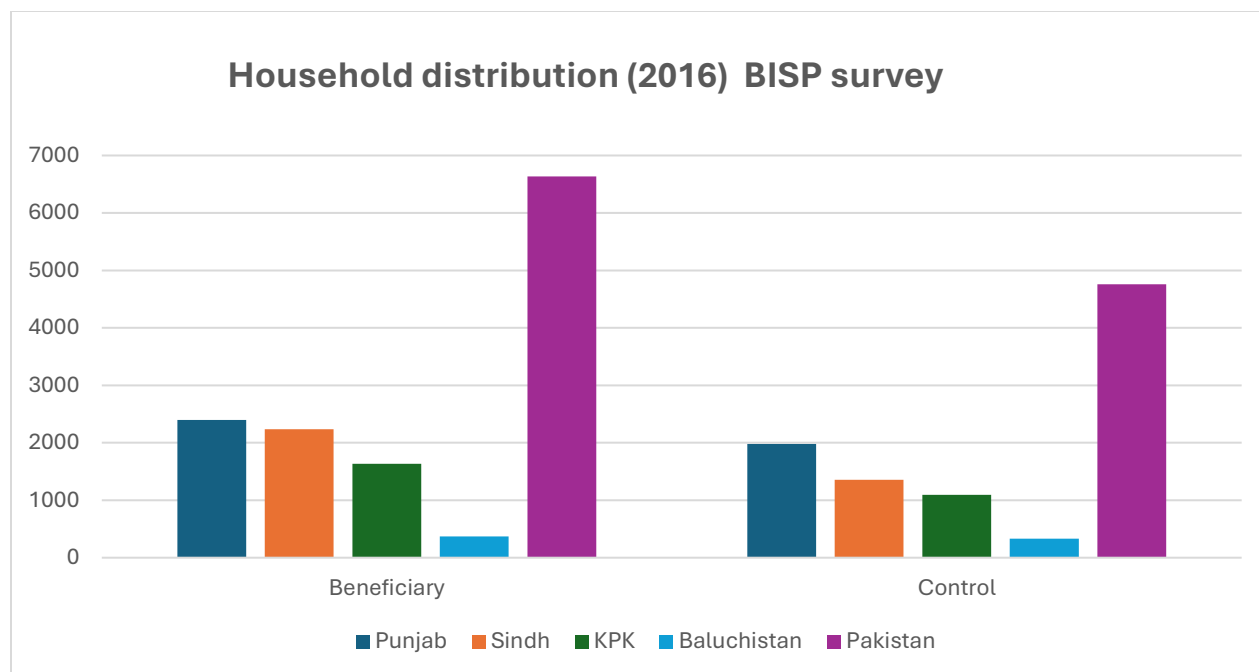
The scope, accessibility, and financial distribution of this program make it the biggest social safety scheme. In 2008, 1.8 million participants received Rs. 15.8 billion in funding for this program. The government has increased the program's funding each fiscal year. The government provided Rs. 102 billion for 5.3 million beneficiaries in 2015-16.



Evaluation of BISP

The evaluation reports that are shared with program funders and the United Nations, as well as presented in parliament, are a necessary condition for the ongoing funding of BISP. Spot inspections, beneficiary input, and the release of Oxford Policy Management's Impact Assessment reports have all been used to achieve this. The second batch of these reports is in process, while the first round has been completed by the UK-based independent consulting firm Mott Macdonalds. Among the research that looked into the conflicting effects of BISP on poverty and women's empowerment in Pakistan, some concluded that the grant had a good effect on women's empowerment while others concluded it had no effect at all. The majority of studies discovered that this grant has a beneficial impact on consumer expenditures. it was

concluded that after obtaining the BISP payment, women actively participated in making decisions for the home. Women were favorably empowered by BISP and could make decisions about childcare, education, housing, and other family-related issues. Furthermore, compared to non-participants, BISP beneficiaries have total control over household resources. BISP empowered women's decision-making authority. Additionally, these initiatives improve family health and nutrition, increase enrollment in school for kids, and lessen child labor. The beneficiary's household status is a significant factor that influences how the grant is used. Important indications in this regard include the household head's educational attainment, the size of the family, the beneficiary's family income, etc. The minimal monthly income is Rs. 1500, while the mean monthly income is Rs. 4210.10. The greatest family size of the beneficiary is made up of 13 individuals. However, the mean family size is 5.99 members. The majority of household heads lack formal education, and of those who have, the majority only have a primary school education (6.4%). One of BISP's goals is to empower women, turn them into engaged members of society, and get more of them involved in household decision-making. The majority of beneficiaries 35.9%, report that they are not participating in family decision-making, while 33.6% report that they are occasionally active. The three main factors influencing women's lack of participation in decision-making are their family and social environments (46.2%, 42.6%, and 6.3%, respectively). When it comes to making decisions, the spouse (80.3%) is the most influential person, followed by other family members (10.8%) and fathers/father-in-law (4.9%). The decision about having children (41.1%), job (27.1%), and education (8.3%) is not up to the female recipients. Of the beneficiaries, 76.1% said their husband makes decisions about marriage for their children, while 11.8% said family elders make these decisions, followed by a son/brother (3.8%) or mother/mother-in-law (1.5%). Women agreed they got importance and recognition through grand disbursement. Access to grants is thought to be a key component in the development of economically strong and independent women. With these grants, they can engage in additional income-producing endeavors.



Challenges

If families' reluctance to access these social services is only due to poverty, then money is the solution to their issues. Other problems, however, include the head of household's morals not aligning with the social services offered, stigma associated with the services, or just inadequate service quality. Concerning BISP and other unconditional programs, women in the household are given cash; nevertheless, to get this cash, they must get NIC (National Identity Card) and leave the house, most likely to the closest bank. Given that women are not regarded as the head of the home in Pakistan, this could provide a significant challenge to the program's execution. The first was a lack of understanding of how to use the technology needed to get money, and the second was cultural restrictions placed on women. Furthermore, four districts have implemented the Biometric Verification System (BVS), which is adequate in ensuring that program participants who meet the eligibility requirements receive their funds. However, the government needs a lot of money to implement it throughout Pakistan. From the program's inception, the primary contributors have been UKAID and the government of Pakistan. Over time, additional noteworthy donors have been added, including the World Bank, IMF, and DFID (UK Department for International Funds).

Conclusion and Policy Recommendations

Women are empowered by social protectors and can participate in family decision-making. Additionally, these grants raised trends in women's work and self-employment. Nevertheless, the recipients labor in low-paying occupations, and some of them launched small home businesses like embroidery. This report showed that the grant's availability has a favorable impact on women's decision-making roles, and it also empowers employed women and women living in

urban areas. It is concluded that to maximize the effectiveness of social protection programs and achieve the intended outcomes, grant access is the most crucial component. Several gaps were discovered after analysis. In certain instances, the recipient may not be aware of the grant's use if she does not have access to it. Her spouse or other family members used this grant for their individual needs. In this instance, the borrower utilized this sum, on average, to repay the debt. The primary causes of women's lack of participation in these kinds of decisions are the family and social structure. Adopting strategies that provide women full access to grants can boost women's empowerment and their influence over family decision-making. Furthermore, the third-party impact evaluation must be carried out to look into the program's weaknesses and operational issues.

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