

DIGITAL SOLUTIONS FOR A MORE RESILIENT FUTURE

**Pakistan's Journey and Innovations towards
Adaptive Social Protection**

Case Study of Pakistan

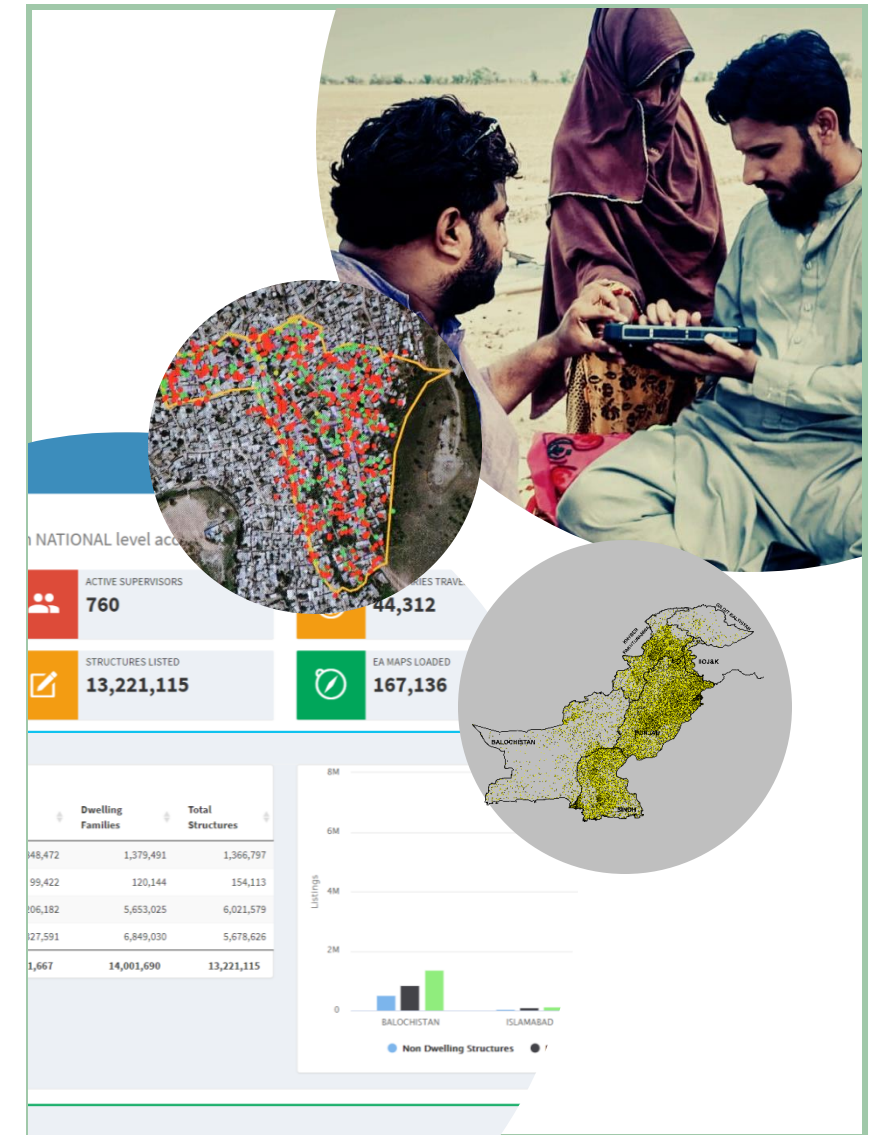
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01

BACKGROUND

COUNTRY CONTEXT

- Country's Population 249,566,743 (Census 2023)
- According to Global Climate Risk Index, Pakistan is currently the 5th most climate-vulnerable country in the world
- Country is highly exposed to flooding, drought, and heatwaves.
- Pakistan - ranked among the 43 countries most exposed to poverty risks
- 54% population is vulnerable to poverty due to health shocks
- Floods-2022 caused US\$ 15.2 billion economic losses and 33 million individuals were displaced
- COVID-19 pandemic led to significant losses, including an increase in unemployment which rose to 6.9% in 2020

** Lower Middle Income Class Poverty Line 132.5 in Pakistan rupee (2018) or US\$3.65 (2017 PPP) per day per capita*

SOCIAL PROTECTION SYSTEM IN PAKISTAN

- **BISP was established in 2008** as country's largest social safety net to provide financial assistance to economically distress persons and families
- The **objectives and purposes** of the Programme are:
 - **Enhance financial capacity** of poor people and their dependent family members;
 - Formulate and implement comprehensive policies and **targeted programs for uplift of underprivileged** and vulnerable people; and
 - **Reduce poverty** and promote equitable distribution of wealth especially for low-income groups
- Annual Budget of PKR 471 billion (**US\$ ~1.89 billion**) for FY 2023-24
- UCT, CCT-Education and CCT- Health & Nutrition are core programs of BISP

02

EVOLUTION OF DIGITAL SYSTEMS

Journey and Innovations towards
Adaptive Social Protection

NATIONAL SOCIO-ECONOMIC REGISTRY

A Journey towards Digital Dynamic Registry

- National Socio-economic Registry (NSER) is the database established to serve as the **targeting platform** for all **Social Protection programs** of the country
- **Proxy Means Test** (PMT) approach used for assessing the socio-economic status of the households (HHs)
- NSER has been **evolved over the years** as the most reliable dataset used by a variety of stakeholders including, public sector institutions, policy think-tanks and development agencies for designing social protection and poverty alleviation programs and interventions

EVOLUTION OF NSER (Paper-based to Digital and Dynamic Registry)

Parliamentarian Phase



Individual Nominations

2008-09

1.98 m families

Limited Coverage

EVOLUTION OF NSER (Paper-based to Digital and Dynamic Registry)

Parliamentarian Phase



2008-09

1.98 m families

Individual Nominations

Score-Card



Paper based Census Survey

2010-2019,

23 variables, 27m HHs (4.4m eligible families)

Coverage and Content Errors
Due to Manual Data
Collection

EVOLUTION OF NSER (Paper-based to Digital and Dynamic Registry)

Parliamentarian Phase



2008-09
1.98 m families

Individual Nominations

Score-Card



2010-2019,
27m HHs
4m beneficiaries

Paper based Survey

Rollout

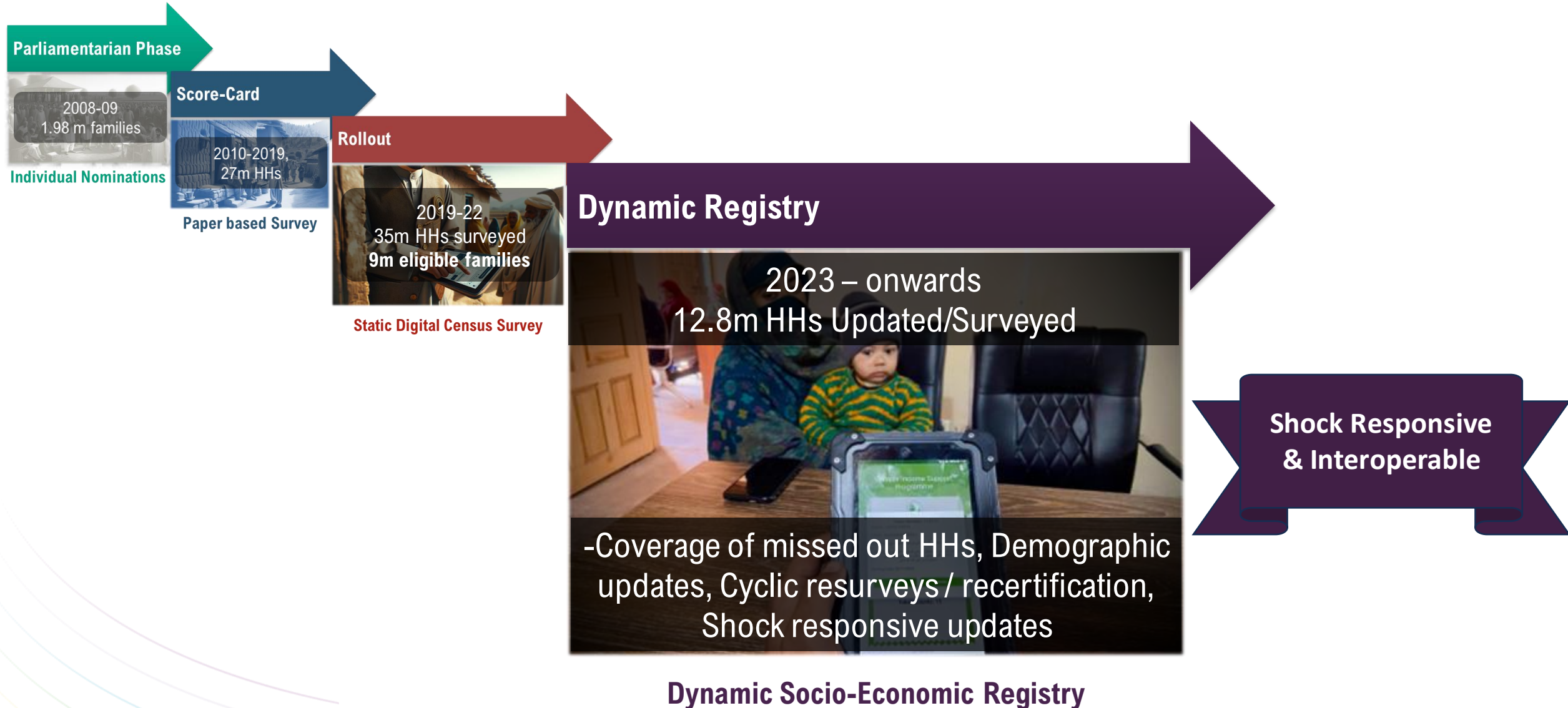


2019-22
43 variables
35m HHs surveyed
9m eligible families

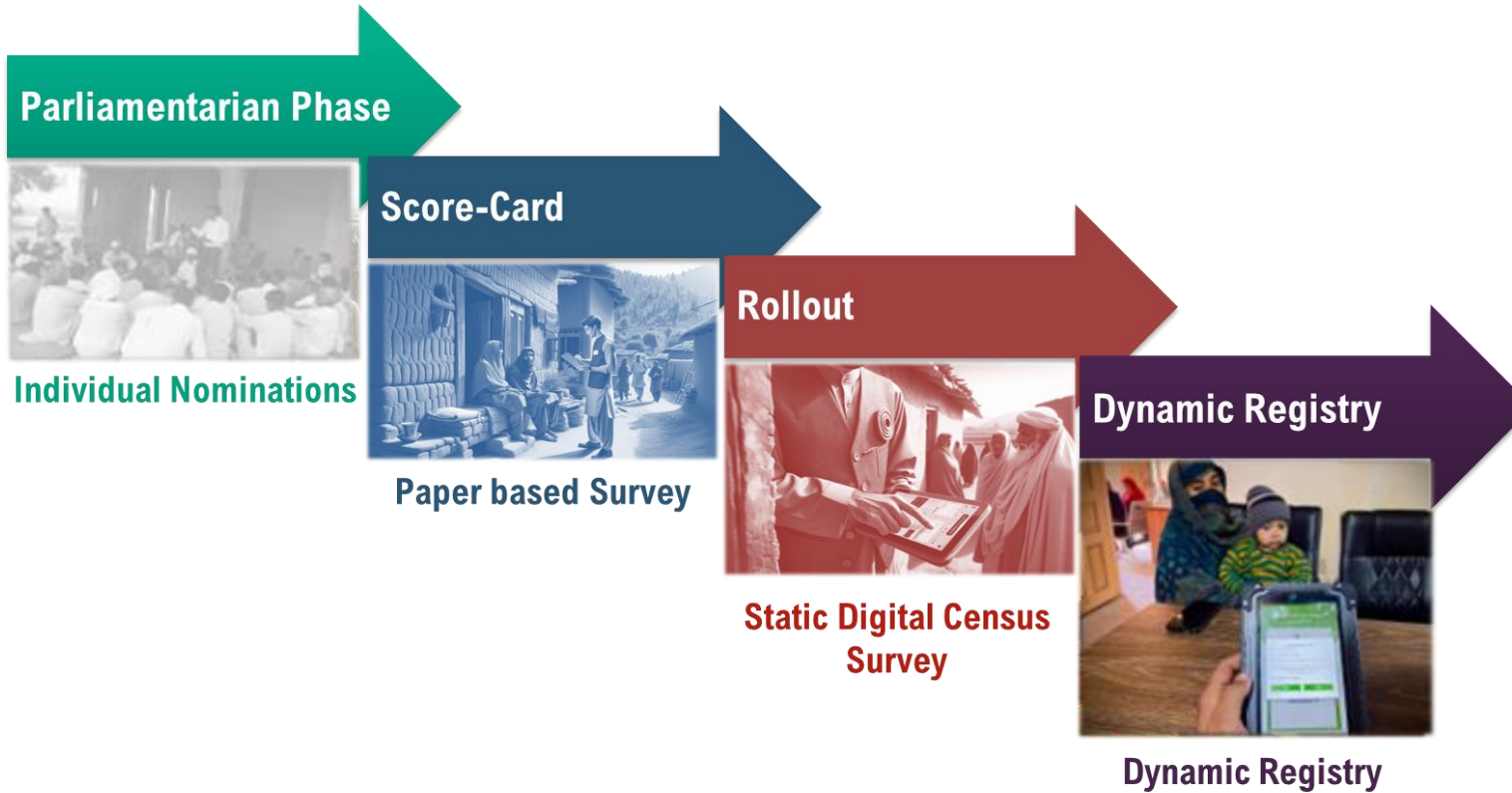
Static Digital Census Survey

Improved
Coverage

EVOLUTION OF NSER (Paper-based to Digital and Dynamic Registry)



EVOLUTION OF NSER (Paper-based to Digital and Dynamic Registry)



Diverse Registry Users

- BISP's UCT and CCT Education & Nutrition Programs
- Emergency Cash Transfers (**COVID-19, Floods, Earthquake** etc.)
- Targeted Subsidies (Fuel, Wheat Seed Support, Wheat Flour)
- Provincial Governments (various SP programs)
- Federal Institutions
Development Partners



Civil Registry

Real Time Verification and Validation

NATIONAL DATABASE REGISTRATION AUTHORITY



142 Million
National ID Cards Issued



198 Million
Identities Issued



97% of the Adult Population

Birth Registration	Death Registration
86.45 M	11.76 M

Biometric Profile



134 Million
Facial Images



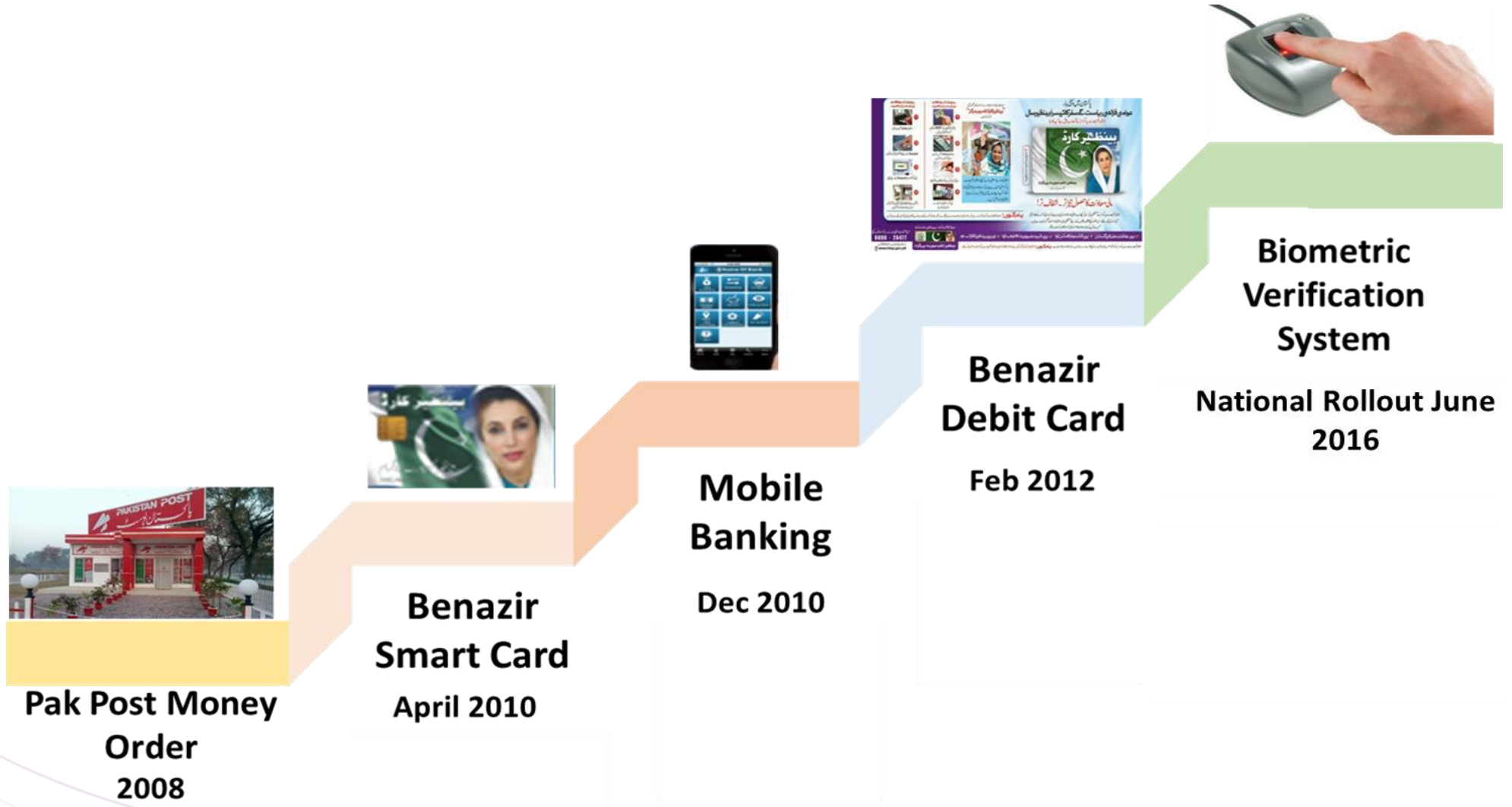
1.2 Billion
Fingerprints



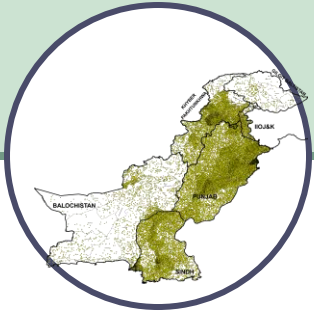
Technology-enabled Payment System

A Journey towards Digital Payment

EVOLUTION OF DIGITAL PAYMENT SYSTEM



UNVELING THE IMPACT OF DIGITAL TRANSFORMATION MEASURES



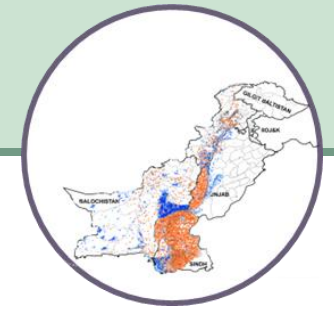
**Improved
Coverage &
Inclusion**



**Enhance
Efficiency &
Accuracy
through
Interoperability**



**Digital Payments
ensured
transparency and
financial
inclusion**



**Shock
Responsive**

03

ADAPTIVE SOCIAL PROTECTION

Case Studies of Digital Transformation

COVID 19 RESPONSE – BEFORE DIGITAL TRANSFORMATION

IMPACTS

COVID 19

Caused

- No Economic Activity
- Business Shutdown
- No savings
- Informal Workers got major hit

Activated

Social
Protection
Platform

NSIF 27 million

Demand Based
Identification

INCLUSION

Existing Beneficiaries –
Bottom 2 Quintiles

Bottom 3rd Quintile

Provincial Government
Verification

Category Portal

in the registry

EXCLUSION

Based on
Administrative Data

Response time
2 months

VERIFIED



Biometric Verification based
Payments

Tehsil 1

Tehsil 2

Tehsil 3

Payment Touch Points
Established with SOPs at
Tehsil level

Final List of
Eligible
Population

14.9 million

Total Disbursement of
Rs. 216 billion
(US\$ 0.9 billion)

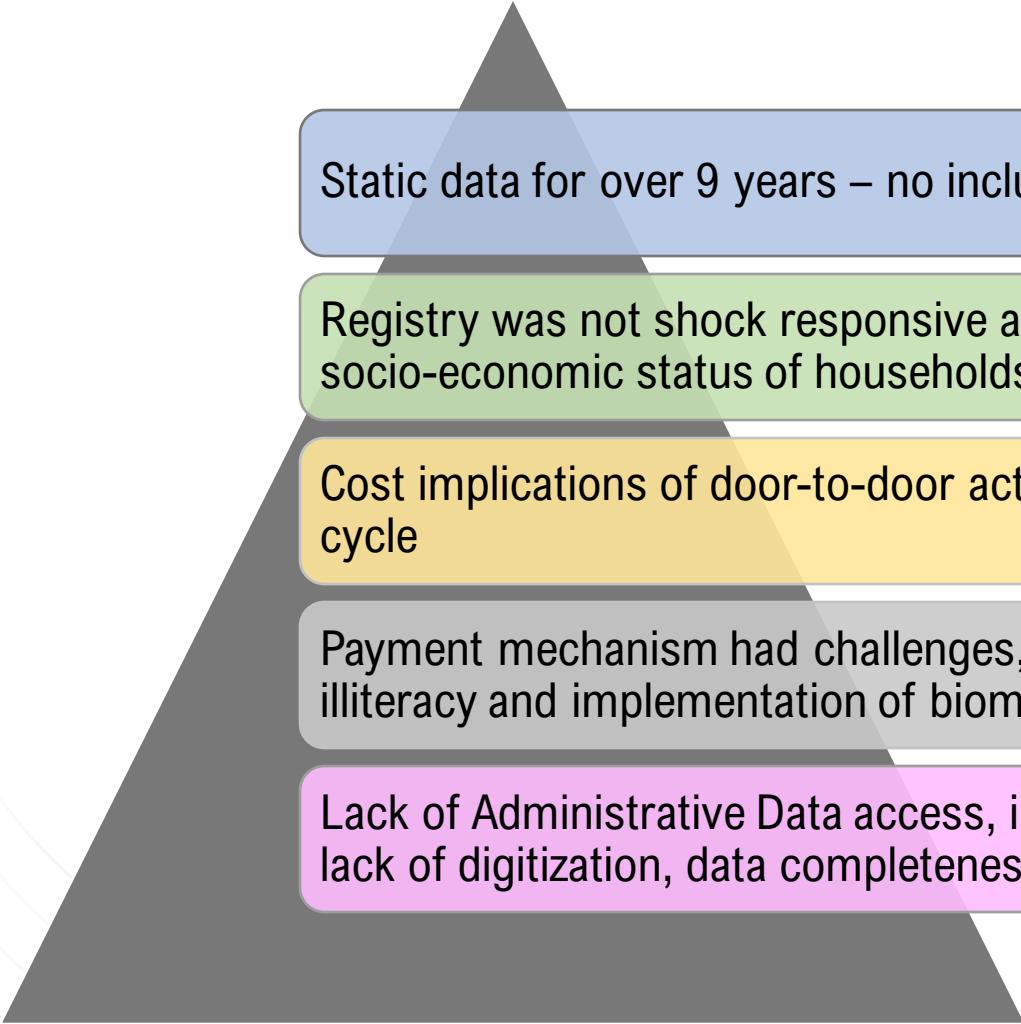
* US\$ 1 ≈ Rs. 250

SPJ CLASS

CORE LEARNING ACADEMY & SOLUTIONS SERVICES

EQUITY, RESILIENCE & OPPORTUNITY

CHALLENGES AND COURSE CORRECTIONS



Static data for over 9 years – no inclusion & exclusion

Regular update of database to mitigate inclusion and exclusion errors

Registry was not shock responsive as it did not cater to changes in socio-economic status of households

Shock responsive registry

Cost implications of door-to-door activity for each registry update cycle

Operational costs of registration & targeting have significantly reduced

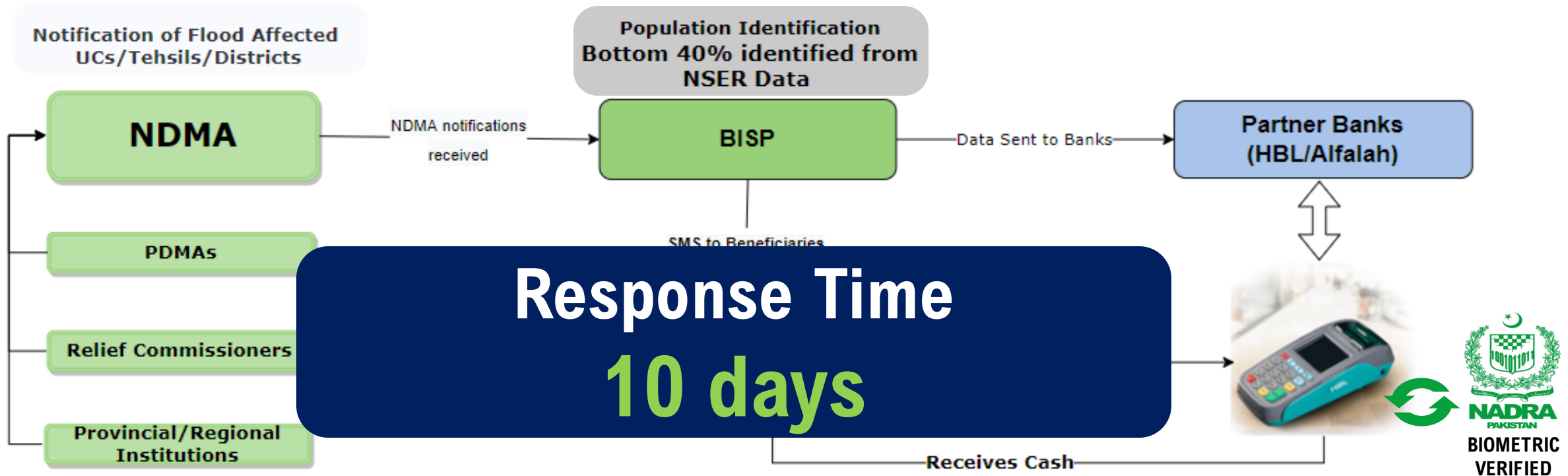
Payment mechanism had challenges, largely due to financial illiteracy and implementation of biometric based payment system

Beneficiary-centric payment model, with inclusion of all financial institutions

Lack of Administrative Data access, incompatibility for integration, lack of digitization, data completeness issues

Collaboration for API based two-way data exchanges and transfer

FLOOD RESPONSE 2023 – AFTER DIGITAL TRANSFORMATION



National Disaster Management Authorities (NDMA) with the support of respective Provincial Governments notified flood affected areas

Using BISP's National Socio-Economic Registry bottom 40% population was identified and through BISP's biometric payment system, Rs. 70 billion (~ US\$ 280 million) disbursed to 2.76 million affected families.

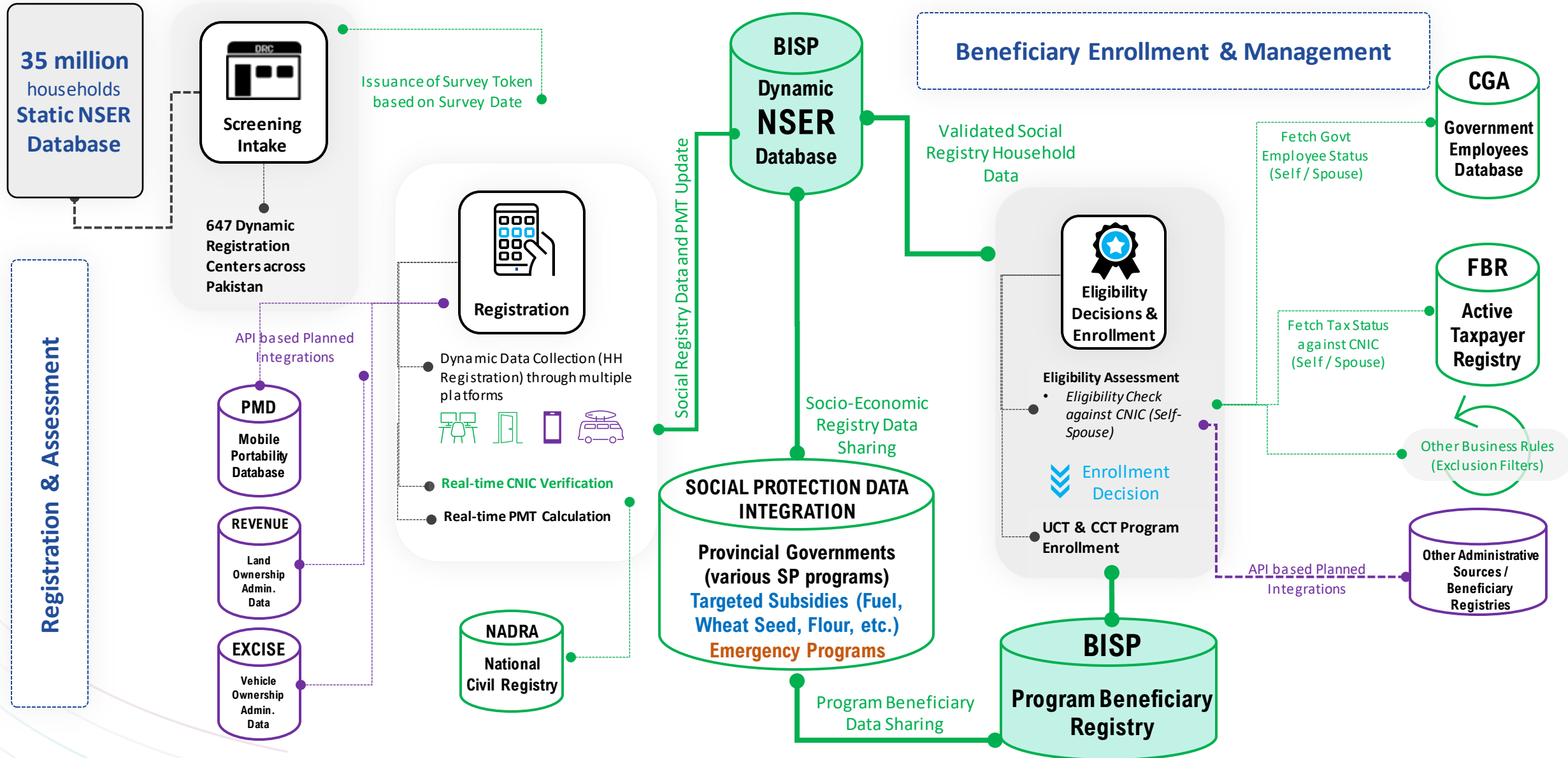
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04

WAY FORWARD

INNOVATION AND ADAPTIVE SOCIAL PROTECTION

INTEROPERABILITY



SOCIAL PROTECTION BI INFRASTRUCTURE



Accessible to Provinces,
DMAs and other SP initiatives



THANK YOU