



COVID-19 G2P Cash-Transfer Payments Country Brief: PAKISTAN

Policy: COVID-19 Cash Transfer Response Measures

EXISTING CASH TRANSFER PROGRAM

Pakistan's main cash transfer program is administered by the Benazir Income Support Program (BISP) - an autonomous organization, established through an Act of the Parliament. It is placed under the administrative control of the Poverty Alleviation and Social Safety Division of the Federal Government. Its programs form an integral part of Government's overall social protection program titled "Ehsaas" (empathy).

BISP makes regular transfers of US \$12² per month to about 4.5 million families³. It targets beneficiaries through the National Socio-Economic Registry (NSER), developed during 2010-11 through a nationwide door-to-door survey using a proxy means test (PMT) based poverty scorecard. An eligibility cutoff score was applied to identify the beneficiaries, majority of whom comes from the bottom two quintile. The government is in the process of updating the NSER and had to suspend the data collection post COVID outbreak. So far, the data of almost 40% of population (Pakistan's total population is about 210 million) has been updated through a combination of a door-to-door survey and desk-based self-registration mechanism.

Around 98% of the beneficiaries are being paid through a technology based biometric verification system with a small percentage being paid through the Pakistan Post in places where presently no formal banking channels and internet facilities are available.

¹ This note was prepared by Amjad Zafar Khan with contributions from Gul Najam Jamy. The G2P emergency cash transfer program in Pakistan is evolving in real time. This note includes information as of May 1, 2020.

² Exchange rate of US\$1 = PKR 168 valid June 23, 2020.

³ BISP defines a family as an ever married woman holding a valid CNIC (computerized national identity card issued to every citizen 18 years of age or older). Within eligible households all such women are declared as families and only they are eligible to receive the cash transfer.



EHSAAS EMERGENCY CASH PROGRAM

Government of Pakistan launched the Ehsaas Emergency Cash Program in early April 2020 to address the economic burden placed on the poor and vulnerable, specially daily wage earners, due to the corona virus crisis. The Emergency Cash Program is designed for immediate deployment, using the existing digital payment system of BISP. The target is to disburse approximately US \$858 million among 12 million families (US \$71 per family). Following categories of beneficiaries have been identified for this purpose:

- Category 1: Top-up of US \$6 per month for the current 4.5 million BISP beneficiary families, in addition to the regular cash transfer of US \$12 per month. Thus they get a one-time transfer of US \$71 covering 4 months;
- Category 2: Another 7.5 million non-BISP beneficiary families will also receive a one-time transfer of US \$71 as well. There are following two sub-categories of recipients under this category:
 - a) Category 2.a: Higher eligibility cutoff score will be used to identify approx. 4 million new beneficiary families through the National Socio-economic Registry database; and
 - b) Category 2.b: Lists of those applicants that are not in the NSER database are sent to the respective Districts who also identify local deserving families through their own systems and add them to these lists. A secure web portal has been developed to enable them to enter the requisite data of the deserving. It is expected that 3.5 million beneficiary families will be identified under this sub-category.

In order to minimize inclusion/exclusion errors for category 2 beneficiaries, Government is using special data analytics on defined parameters (see details in next section).

Registration and Eligibility Determination

EXISTING BISP BENEFICIARIES

Existing beneficiaries of BISP are automatically informed by BISP about the additional emergency cash being given to them. They do not need to apply for this amount.


NEW BENEFICIARIES

For new (non-BISP) beneficiaries, the Government launched a national communication campaign through newspapers, TV, radio and community announcements advising citizens who consider themselves eligible for the emergency cash to send a short message (SMS) to #8171 to check their eligibility. In the event of being eligible, they receive an SMS message informing them of nearby payment points to collect money. In addition, an Emergency Cash Application web-portal has also been developed enabling families to register themselves at the web-portal without the need to visit any office. The last date to receive applications was April 19, 2020.

REVIEW AND VERIFICATION

Eligibility of new applicants (non-BISP) is determined through two mechanisms: (a) through the NSER database by increasing the eligibility cutoff score beyond the score used for BISP beneficiaries⁴; and (b) through development of lists of deserving families (whose data does not exist in NSER database) at district

⁴ The PMT based targeting provided the flexibility of adjusting scores to sift through the 55.4 million applications to adjust the provincial quota for category 2.a of the emergency cash transfers.



level. Beneficiaries identified through both mechanisms are then subjected to application of specific exclusion filters using ID-linked administrative data (e.g. government employment, ownership of motor car, foreign travel history etc.). In addition, NADRA (National Database and Registration Authority) also verifies the applicant families through the civil registration database maintained by it. This two-level verification is designed to minimize fraud and inclusion/exclusion errors.

GRIEVANCE REDRESSAL MECHANISM

BISP has a comprehensive Case Management System (CMS)/Grievance Redressal Mechanism (GRM) in place since 2012 that is available to both existing and potential beneficiaries as well as community members. The system comprises of a web-based application that provides access to BISP staff right up to the tehsil (sub-district) level. It assists the BISP operational teams to receive and address, among others, beneficiaries' complaints. For the Ehsaas Emergency Cash Program, the existing CMS/GRM would be accessible for existing and new beneficiaries to personally lodge appeals/complaints through various means such as post, email, telephone calls to a toll free number or by visiting either the BISP Headquarter, 6 regional offices (located in the provincial/ regional capitals) or more than 375 Tehsil offices of BISP all across the country. The grievance/complaint resolution authority has been devolved from the BISP Head Office to the tehsil level interface, ensuring that resolution time is quickened and beneficiaries are provided with a more personalized environment while tracking. The system is online and all offices are linked on a real time basis to process these requests. Both internal and external action committees have been set up to address attempted corruption or malpractice complaints received against BISP staff or contracted vendors. Over 3 million complaints/appeals have been received by BISP since 2012 with 90% being addressed within 72 hours.

Payments Arrangements

EMERGENCY CASH PAYMENTS

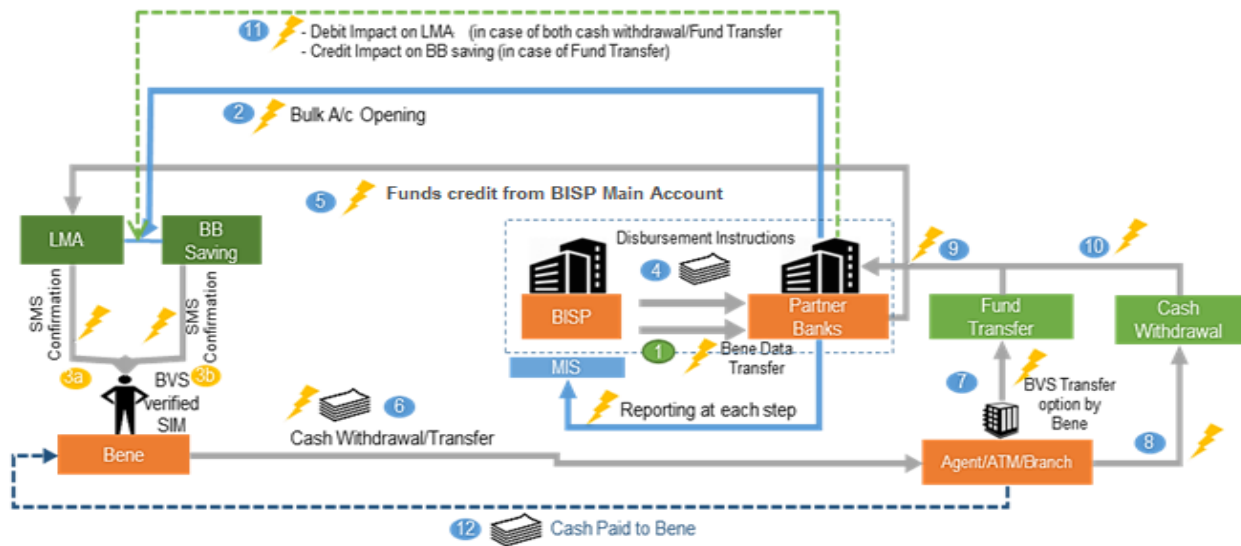
BISP beneficiaries receive regular cash transfers that can be withdrawn from Points of Sale (POS) of biometrically enabled branchless banking operations and biometrically enabled ATMs. All new beneficiaries first enroll in the Program by providing their biometrics at a nearby payment touch point. They also have the option to ask the concerned bank to open a savings account for them and transfer the cash to the account for later use (see flow chart below). To avoid error and fraud, cash is disbursed only after biometric verification of each beneficiary through NADRA.

All existing and new beneficiaries receive emergency cash through the existing payment system. However, to increase the number of touch points the existing payment mechanism has been enhanced by asking the provincial governments to provide open public spaces for setting up fully secure cash disbursement centers (in addition to existing POS and ATMs). Non-BISP beneficiaries of the emergency cash program do not have the option of opening a savings account since they are only being provided a one-time transfer. COVID-specific safety measures (safe distancing, provision of hand-sanitizers, regular cleaning of biometric devices, wearing of masks) have been adopted at all payment points.

BISP has been making regular, technology-based payments to its beneficiaries since late 2010 and has a very robust network comprising of NADRA, commercial banks, telecom companies and large number of franchisees that allows BISP to disburse large amounts of cash to millions of beneficiaries across the country within short period of time. For the Ehsaas emergency cash program the same payment system is being used. The success of immediate inclusion of additional beneficiaries into the program was enabled

in great part by the presence of existing PSPs in all the districts and the flexibility in their contracts to immediately cater to additional beneficiaries.

By April 30, 2020, Government had disbursed US \$464 million to 6.4 million beneficiaries across the country for categories 1 and 2. Existing and potential beneficiaries can lodge payment-related complaints and appeals through the BISP CMS/GRM described above.



Communication and citizen engagement

Government has created an information portal https://www.pass.gov.pk/ecs/uct_all.html that gives real time information about the number of beneficiaries served in each of the three categories with provincial, district and tehsil level breakdowns. It also outlines the amounts given to partner banks for disbursements to beneficiaries, and the number of beneficiaries who have received money.