

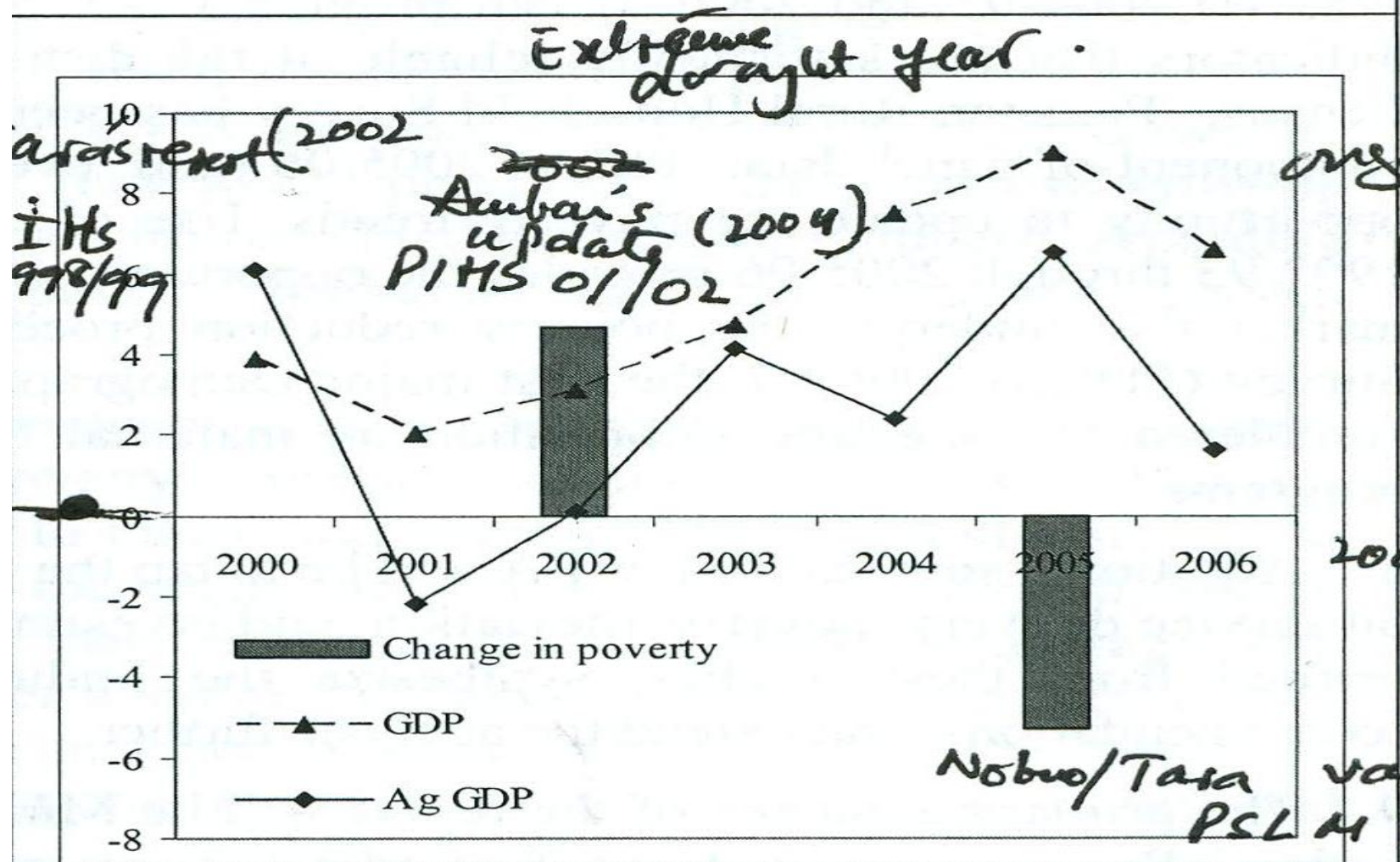
Two Programs of Social Protection: Perspectives of the Board

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Lahore School Conference

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Figure 1: Relationship in annual rate among GDP growth, Agricultural GDP growth, and poverty reduction



Source: World Bank staff estimation using Economic Surveys and PSLM 2004-05 data.

Vulnerability

- Agricultural cycles
- Growth boom and bust cycles
- Natural disasters
- Food prices, inflation in general
- Assets
(education, health, land, livestock, access to finance)

Research (evaluations, RCT's) underpinning roll out of social protection.

1. **BISP**

- The program
- Popular perception
- What has a demanding Board learnt?
- Issues going forward

2. **PSDF**

The program

The Board's bars for measuring success

Instruments for meeting the bars (surveys, 3rd party monit, audits, course correcting evaluations)

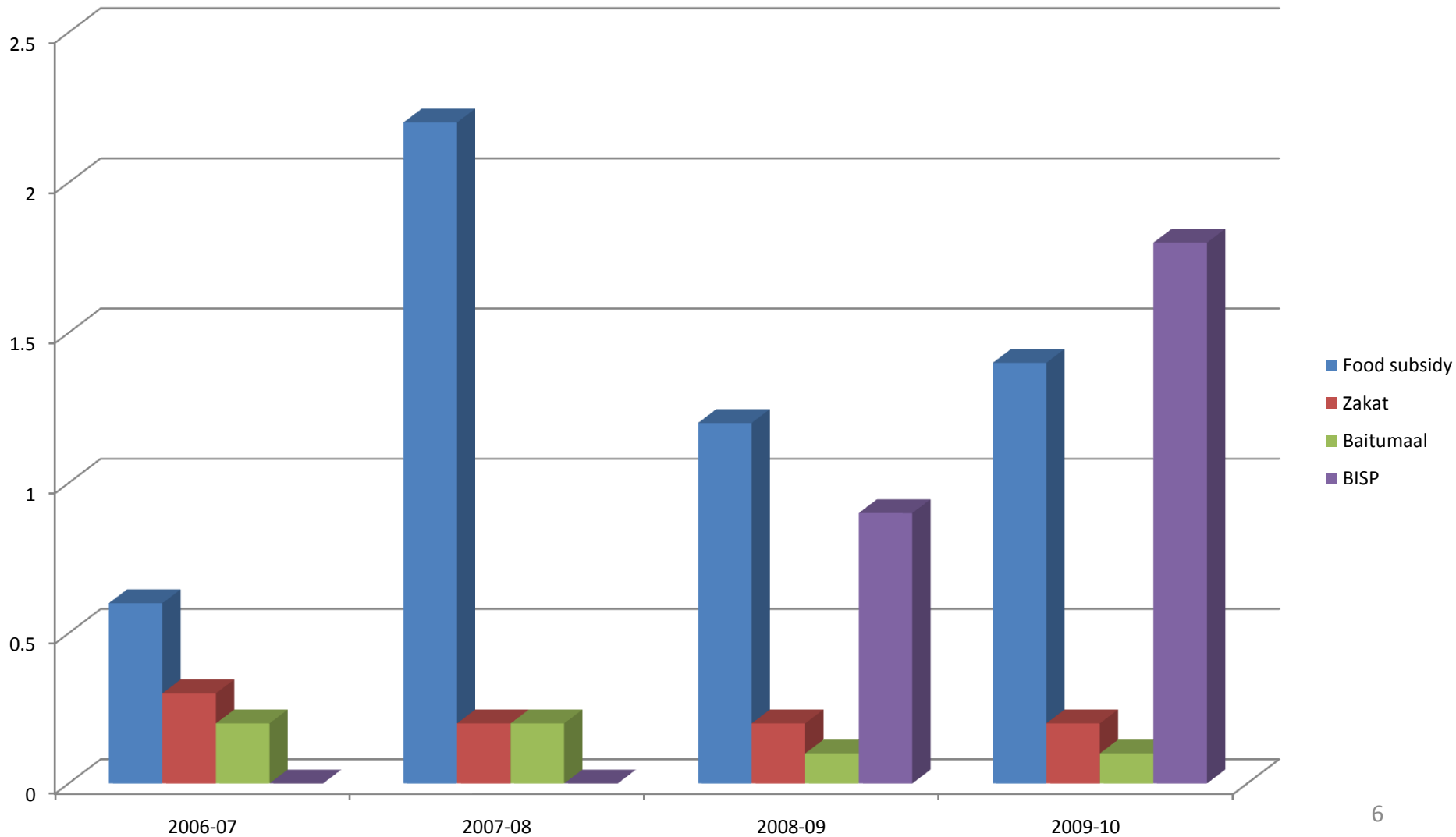
Comparison with other programs

Issues going forward

I. Benazir Income Support Program

Various Social protection programs

(share of total public expenditure)

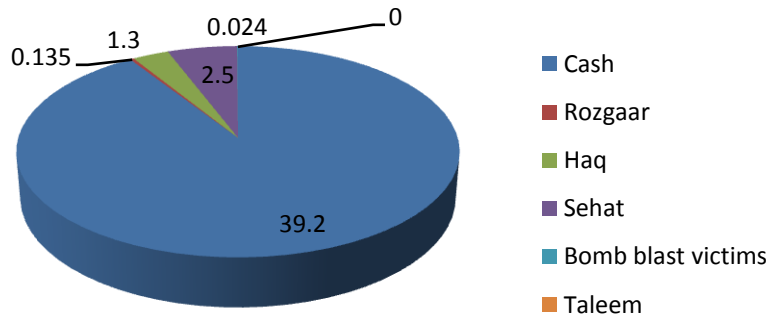


Many programs of BISP

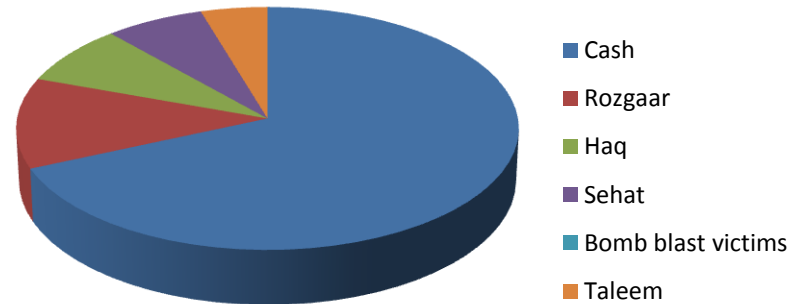
- Cash grant
- Waseela-e-Rozgar
- Waseela-e-Haq
- Waseela-e-Taleem
- Waseela-e-Sehat
- Bomb blast victims
- Emergency Relief Package

The size of BISP programs

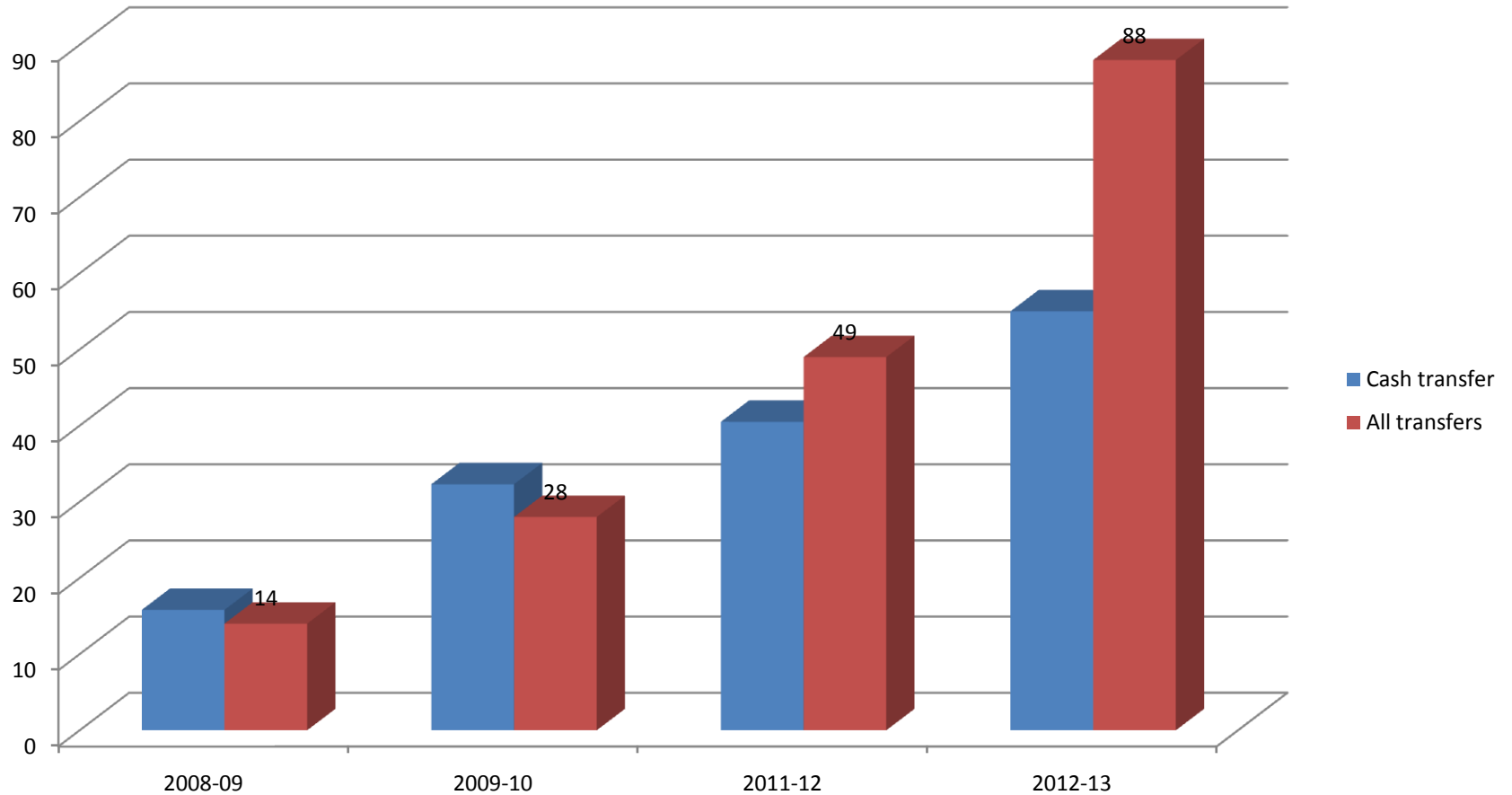
2011-12
Total programs Rs 43 billion plus
Rs 6 billion admin cost
(NADRA, Banks/Pak post)



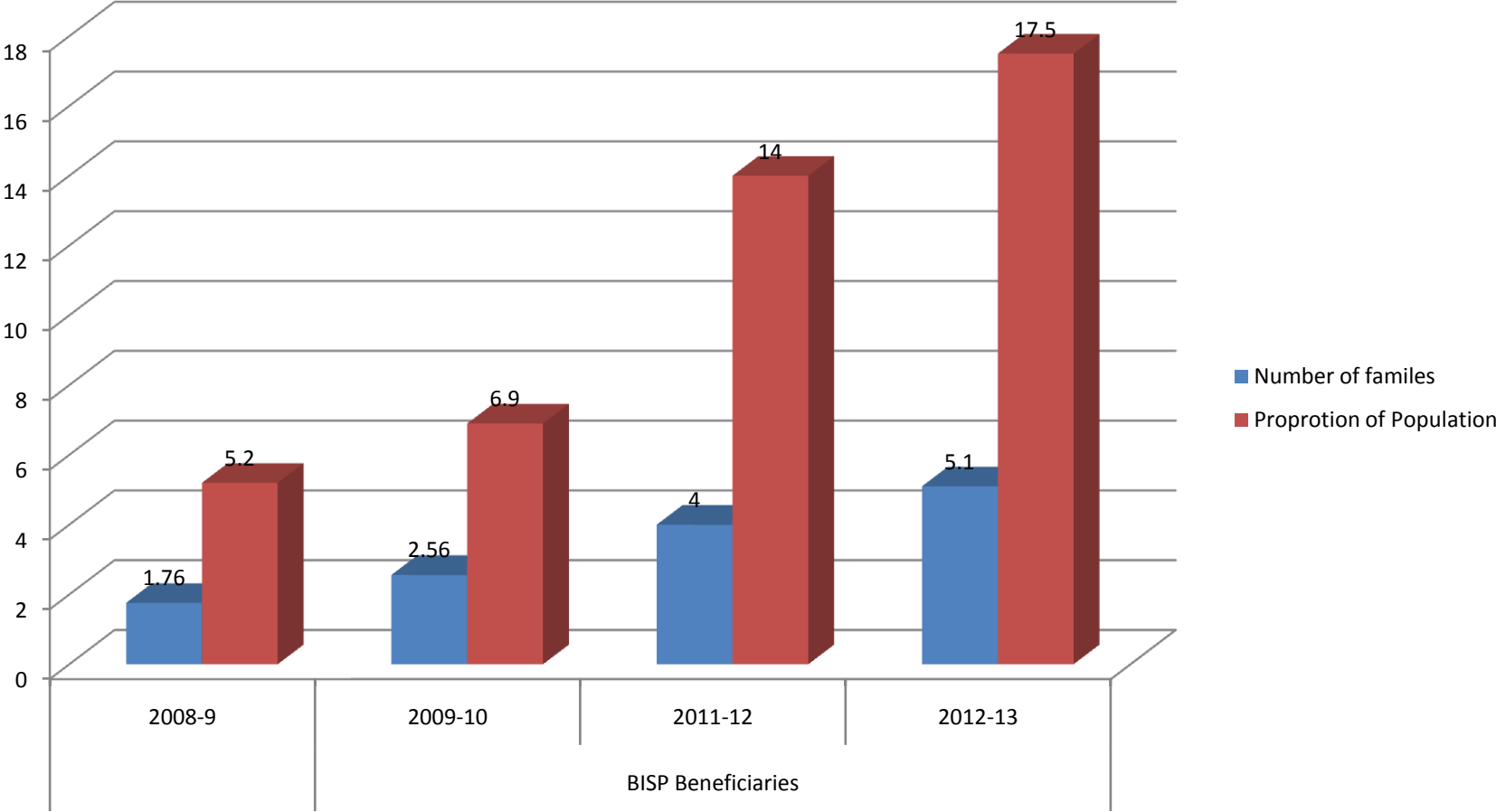
2015-16
Tripling of programs projected



BISP Cash and All transfers (Rs billions)



Cash Transfer Beneficiaries



4. Popular Perception

90 percent is corruption!

5. Questions the Board wanted answered

- How are the beneficiaries selected?
- How are they paid?
- Where are the beneficiaries located?
 - Sindh high because of floods
- How poor are the beneficiaries and what difference does the cash grant make to poverty and other indicators of marginalization?
- How can the administrative costs be brought down?

6.Board process

- 11 Board Members (5 independent, 5 govt, Secretary/CEO)
- 8 Board meetings since October 2011.
- 4 Committees; 8 meetings

7. What the Board learnt.

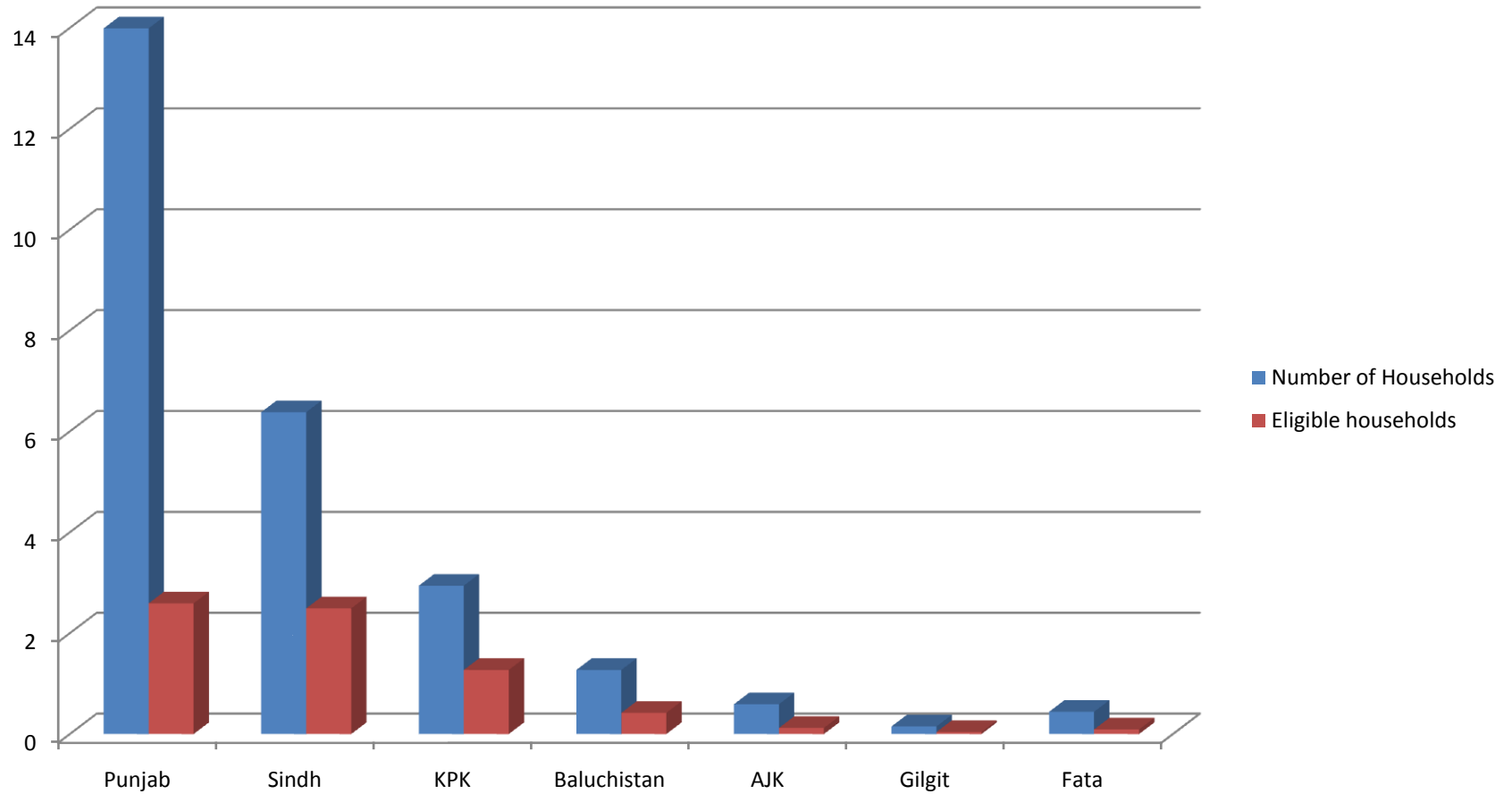
Selection of Beneficiaries

- Phase I (2008-09 to 2010-11); Beneficiaries identified by parliamentarians.
- Phase II (2011-12 to 2012-13 and onward); Beneficiaries identified via Household survey.
- Technical assistance provided by World Bank, DFID
- Survey involved assessment of all Pakistani households (28 million, except in FATA) to identify eligible households using a Proxy Means Test applied to household assets (23 variables)
- Cut off score 16.17 resulted in resulted in the capture of 7.2 million household or the poorest 20 percent of the population.

Payment

- Each ever married female in the household receives Rs 1000 per month
- CNIC a requirement
- Originally via Pakistan Post (complaints), now largely via BISP ATM card

Location of Beneficiaries



Is it working?

Third Party Evaluations of the Survey

- Reliability of the survey evaluated by Innovative Development Strategies and GHK to test completeness and quality of the survey.
- Findings:
 - Overall coverage 93 percent
 - 85 percent of the processes were followed for all prescribed activities in the survey

Is it Working?

Third part Evaluation: Payment system

- Evaluated by USAID: Budget Support Monitoring
- Findings:
 - 98.69 percent of the beneficiaries received the cash payment (32% mobile payment by banks, 25 % Pak Post; 41% Smart card)
 - 81% spend on average 1 day, or 2 hours or Rs 175 to receive the cash grant, In Baluchistan Rs 200 have to be paid to the postman
 - 60 % of cash grant use decided by senior females, rest jointly.

Is it working?

Financial Audit

- Audit for financial year 2010-11 and 2011-12 conducted in October 2012.
- The audit report is satisfactory regarding progress and operations
- No serious observations
- Report being finalized and will soon be released

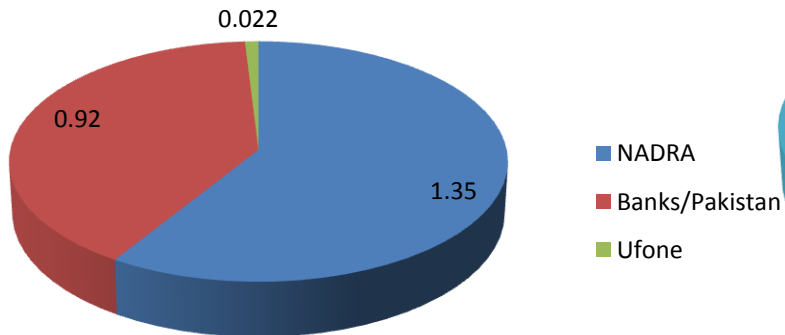
Is it working?

Impact Evaluation: Baseline Survey

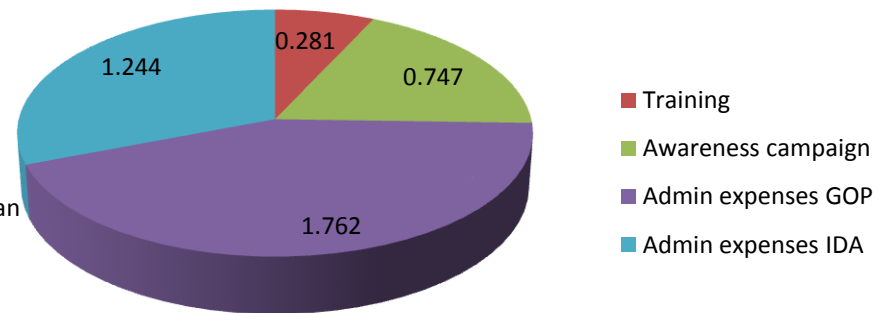
- Oxford Policy Management contracted by World Bank and DFID
- Baseline survey completed and report prepared December 2011
- Sampled households in two groups: Group A (treatment group), households below PMT 16.17 and should be beneficiaries; Group B (control group), non-beneficiaries PMT above 16.17 up to 19.5.

Program Delivery Expenses of BISP

Service Charge cost of BISP 2011-12
(Rs 2.3 billion; 4.6 % of total)



Administrative cost of BISP 2011-12
(Rs 4.03 billion; 8.2 % of total)



8. Issues going forward

- Beneficiary data updating
- BISP capacity and the many programs
- 18th amendment and the need to work with provinces (highway versus bus service)
- Fiscal sustainability
- Given access to researchers for enhancing credibility and improving design
- The case of Waseel-e-Rozgar and PSDF

II. Punjab Skills Development Fund

Punjab Skills Development Fund

The Program

Joint Govt of Punjab/DFID Punjab Employment Opportunities Program (PEOP)

Components: Skills Development (GBP 25 million each, shared equally)

Organizational structure: PSDF set up as Section 4 company. Independent Board, Livestock to be run by the concerned govt department. Both to be overseen by a Steering group under Chairman P&D. A technical assistance component

PSDP registered, CEO hired and the program launched in 2011.

Livestock component jettisoned mid-2012

PSDF

- Area Focus: Four South Punjab Districts (Bahawalpur, Bahawalnagar, Lodhran, Muzaffargarh), least developed in terms of poverty, education, health indicators etc
- Target Beneficiaries are the vulnerable
- Vulnerability (the poor, women, those less than \$2 a month); 60 % males, 40 % women
- Problem with focusing on the poorest for skills training
- Overall Objective: train 80000 vulnerable people over five years (135000 after inheriting Livestock funds GBP 22mill); 10 k, 25k, 30k, 50k,20k.
- Restore credibility of the state

PSDF Board's bars for measuring success

- Zero tolerance for corruption
- No ghost programs
- Private sector development
- Target the right people
- Ensure employability and income

Instruments for meeting the bars

- Evidence based design roll out (baseline survey; employer survey) (targeting the right people, no ghosts).
- Transparent bids (no corruption)
- Ongoing third party monitoring (no ghosts)
- Independent financial audits (one every fiscal year)
- Course correcting evaluations (RCT) (targeting)

Evidence based design roll out

- Base line survey of the living conditions in the four districts
- Survey of household (11000 hh) preferences for skills
- A survey of employers on skills demanded
- A survey of networks for job placements
- Two categories of skills identified:
 - Skills for market (tailoring, home crafts etc)
 - Skills for jobs (welding, electrician, chefs, inventory control etc)

Third party Monitoring (no ghosts)

- Monitor Courses being delivered
 - 2 surprise visits per course
 - Premises
 - Attendance by trainees
 - materials supplied
 - Trainee perception about quality
- Classes suspended (payments halted), no trainer disqualified so far

Course correcting evaluations I

- Vouchers to assess real demand ; uptake a dismal 5 %.
- Reasons: training center location; not enough information, stipend too low?
- RCT
 - In vill. mobilization, training outside
 - Community mobil., training outside
 - In-village training
- New bids for course offerings inside the village

The Impact of Village Based Training

Overall voucher uptake by training

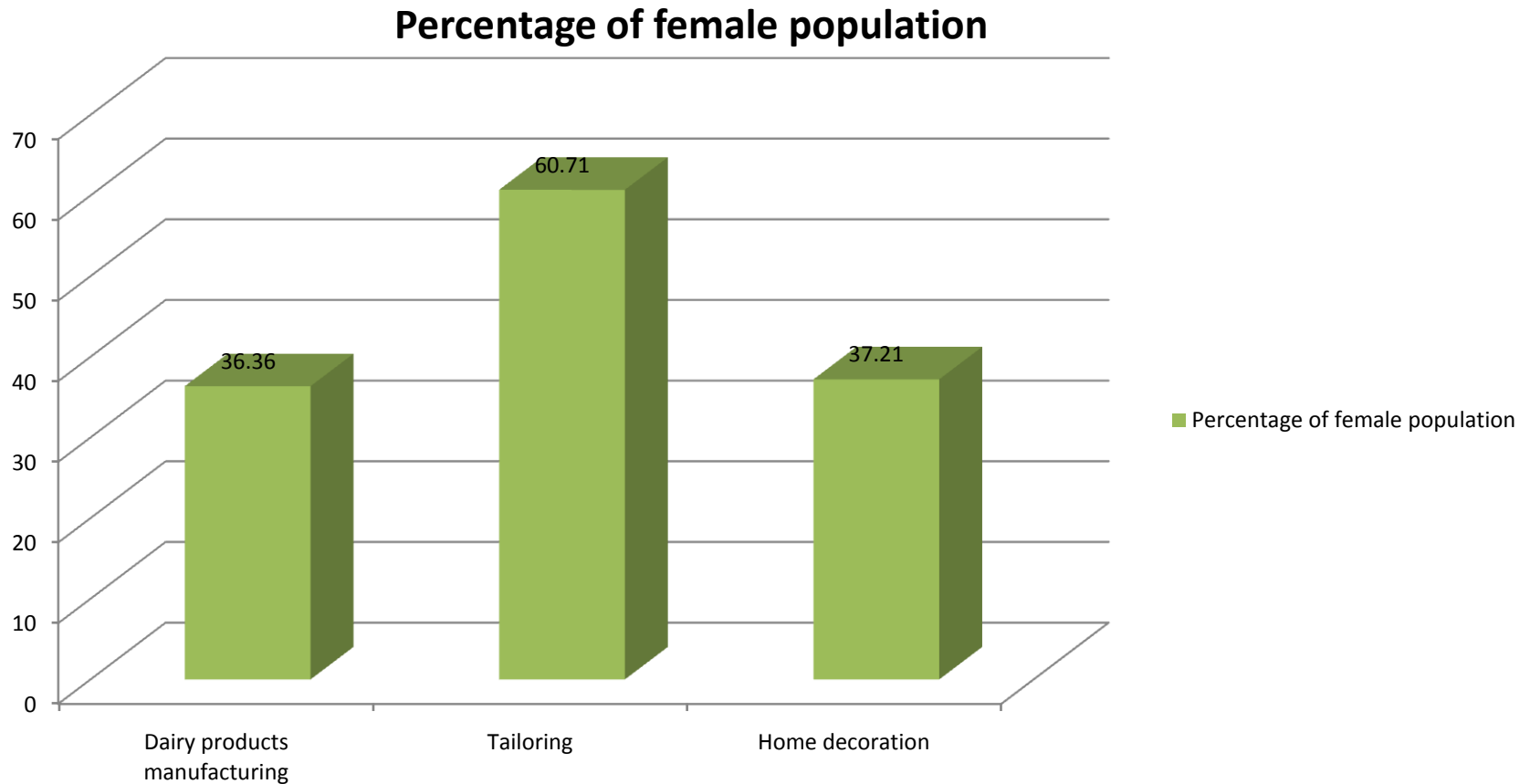
Percent of female population

■ Percent of female population



Course desirability matters

Voucher uptake in village based training by course

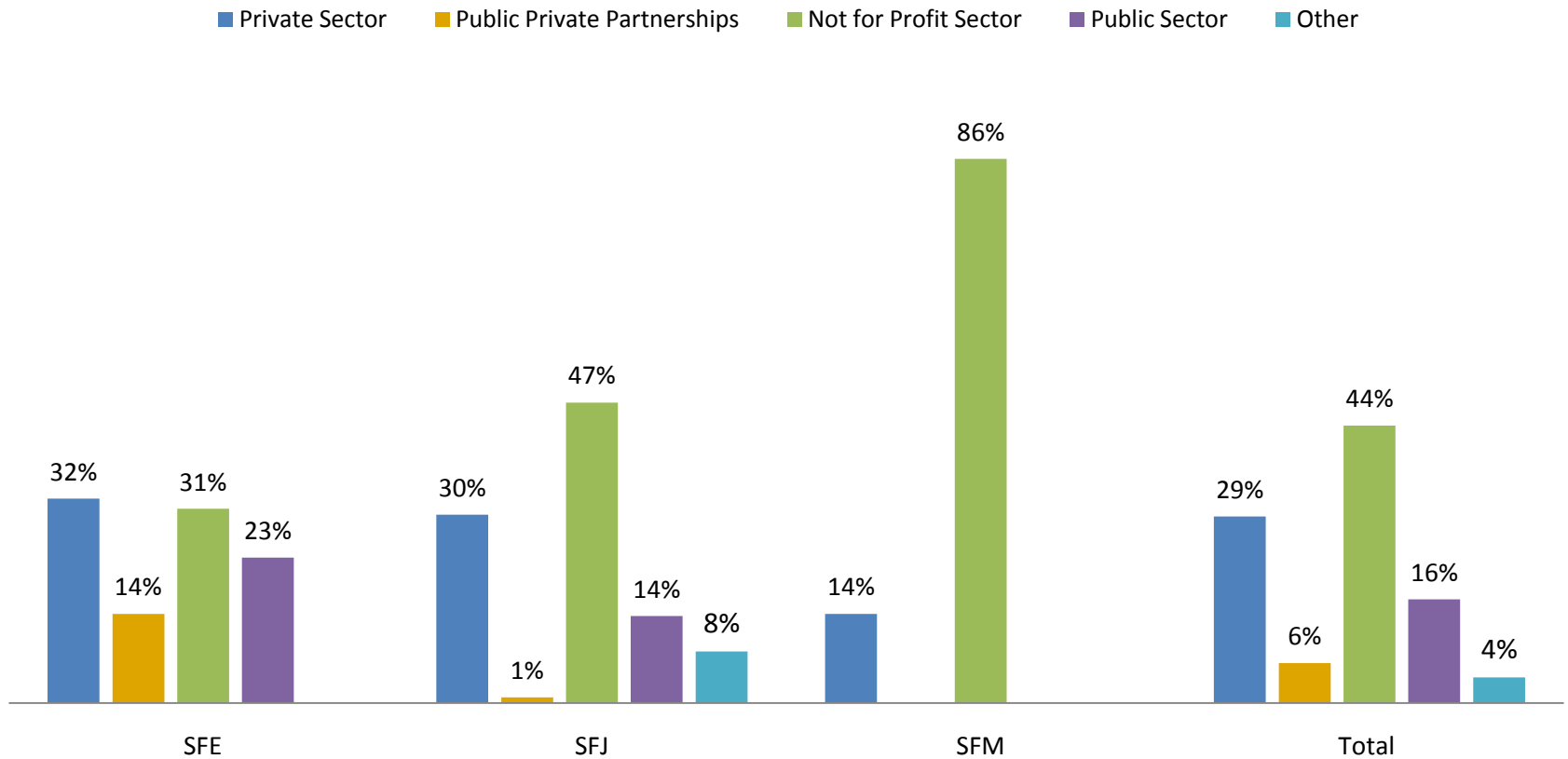


Course correcting evaluations II

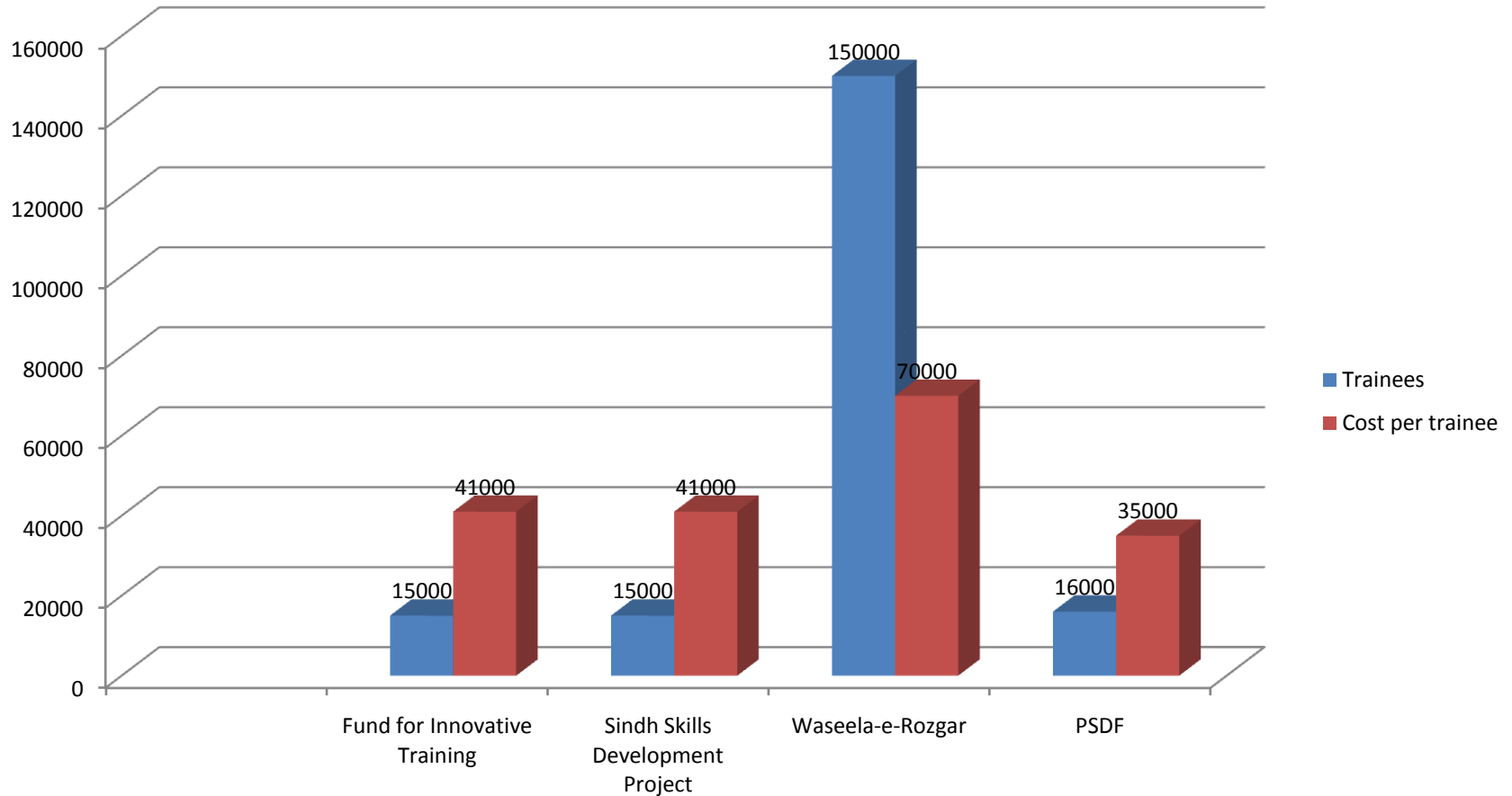
- Employability and income effects
- RCT
- Oversampling of trainee cohort (ie both those offered training and those turned down)
- Tracer surveys to assess the difference in income post training period.

Private sector development

Mix of Providers (PSDF)



A comparison of Four Skills Development Programs



Going forward

- Scale up to cover all of Punjab
- Retaining the core design elements.
- How much social protection, how much growth?
- Relationship to other training programs
- Private market for training?