



PUNJAB SOCIAL PROTECTION POLICY

DECEMBER 2022



PUNJAB SOCIAL PROTECTION AUTHORITY
GOVERNMENT OF PUNJAB

Message from the Chief Minister/ Chairperson

The people of the Punjab have rallied behind Pakistan Tehreek-e-Insaf because they long for a society that is based on justice. They dream of a society where the structural factors perpetuating poverty are stifled, a society where people are protected against the risks to personal well-being, and a society prosperity of which is anchored in high levels of human capital. I see our government as an institutional mechanism for transforming this dream into a reality and the Punjab Social Protection Policy as the guidebook to lead us to that destination. The Punjab Social Protection Policy is an embodiment of our commitment towards upending the elite capture and making the government work for poverty elimination and the mainstreaming of marginalised people.



The economy of Pakistan and the Punjab is wading through the turbulent waters. As the adage goes, extraordinary circumstances require extraordinary measures. We have a legacy of poor economic management where long-term development was sacrificed at the altar of short-term, often purely political, goals. Our approach to economic development is diametrically the opposite. Our government will, on the one hand, take care of the immediate consumption needs, while, on the other, ensure that the focus remains on long-term improvements in the human and social capital of the people of the Punjab.

The social protection programmes in the Punjab, up to now, were operating in a policy vacuum. The void of a policy environment has been filled by the approval of this policy. Now, it is our duty to implement this in its true spirit. Therefore, I earnestly urge all public sector bodies in the province to accept this policy as a primer on what social protection needs to achieve in the Punjab and align their activities with this policy.

I take this opportunity to promise that our frugality with the provincial exchequer will not affect our commitment to the cause of social protection. Under the Punjab Ehsaas Programme, we are launching many new social protection initiatives, the three of which Sila-e-Funn Programme, Nai Zindagi Programme and Ba-Himmat Buzurg Programme have been rolled out in the recent past. In the coming years, the resource envelope available for social protection will witness further expansion.

Finally, I congratulate the team of the Punjab Social Protection Authority for preparing this policy. Many thanks to the World Bank and Sub-National Governance Programme for supporting us in the process. Let us join hands and strive to achieve the goals of this policy quickly. May Allah help us in our endeavours!

Chaudhry Parvez Elahi
Chief Minister, Punjab/
Chairperson, Punjab Social Protection Authority

Message from the Vice Chairperson

It is with immense pleasure that we are celebrating the launch of Pakistan's first ever Provincial Policy on Social Protection drafted by the Punjab Social Protection Authority in consultation with provincial, federal and voluntary sector stakeholders. It is one of the major steps of the Government of the Punjab towards establishing an integrated and inclusive social protection system for the poor and vulnerable in Punjab.



We need to adopt a rights-based approach to social protection. This approach makes social protection a human right, not a matter of charity, kindness or compassion. This means that human rights principles of equality and non-discrimination, participation, transparency, and accountability should be applied in the design, implementation, monitoring and evaluation of the social protection systems. Social protection also contributes to the realisation of several other human rights, such as the right to a decent standard of living, to education and to the highest attainable standard of health.

There are more than 120 social protection programmes being implemented in the Punjab by over 26 different departments of the province. However, these programmes were operating with little coordination and consolidation. This led to fragmentation, duplication of services, limited outreach, and an obscure picture of social protection expenditure. We, recognizing that a social protection policy emphasizing integration and system-wide programming is a critical pre-requisite for resolving these issues, have formulated this policy to ensure that social protection in the Punjab is an integrated response to people's needs, rather than a collection of disparate elements achieving contradictory or divergent goals.

I feel privileged to narrate that this policy is the first step towards the realization of Prime Minister Imran Khan's vision for transforming Pakistan into a Medina-like welfare state, where vulnerable groups such as the elderly, widows and the poor are taken care of. It is also the fulfilment of PM's promise to introduce a system that is for the masses and where all welfare will be for the common people.

I would like to take this opportunity to sincerely thank our provincial, national and voluntary sector stakeholders who have been involved throughout the consultative process during the drafting of this policy. I hope that this document will go a long way towards delineating the priorities and vision of the government in order to create an egalitarian and inclusive society that is able to realize its full human capital potential.

Faisal Farooq Cheema
Vice Chairperson
Punjab Social Protection Authority
Government of the Punjab

Message from the Chairman Planning & Development Board

The 18th Constitutional Amendment transferred most of the social protection functions and institutions along with social service delivery such as education, health and population welfare to the provinces. This move was matched by the transfer of greater financial resources to the federating units through the 7th National Finance Commission Award. Consequently, the development and management of social protection is now primarily a provincial subject and the provinces are primarily responsible for taking steps to protect their vulnerable and socially excluded segments from the risks and vulnerabilities associated with the economic slowdown and natural and man-made disasters. To fulfill this responsibility, the Punjab Social Protection Authority (PSPA) was established with a view to play a vital role in reaching the poorest of the poor and protecting them from falling below a socially acceptable standard of living.



I appreciate PSPA for not only conceptualizing social protection architecture for the province of Punjab and filling many coverage gaps through its programmes but also for introducing an innovative, transparent, and efficient welfare payment mechanism. Various departments of the Punjab are now collaborating with PSPA to implement their programmes through its e-payment methods.

The Punjab Social Protection Policy is the latest contribution of PSPA that will guide the efforts of multiple government departments towards achieving the goal of a society where all citizens are able to meet their basic needs and realize their full potential. In this context, it is laudable that the objectives of the Punjab Social Protection Policy and its principle of inclusion are in line with the vision of the 2030 Sustainable Development Agenda to “leave no one behind”. The government, under this policy, will ensure that the poorest and most vulnerable benefit equally and prosper along with the rest of the population

There is an inextricable relationship between human capital and economic growth. The need for a strong human capital has become more pronounced in the wake of the demographic transition that the Punjab has experienced with a large number of people attaining working age. Therefore, the emphasis on education, skills building and the achievement of self-reliance is central to the Punjab Social Protection Policy.

I earnestly urge all of the public sector bodies in the province to help implement this policy both by aligning the current programmes with it and by developing new interventions under the identified priority areas. It is my sincere hope that the implementation of this policy will make the poor and vulnerable people of the Punjab more resilient to shocks and help them to accumulate adequate human capital that can contribute to high economic growth in the Punjab.

A comprehensive, efficient, effective and inclusive social protection system in the Punjab remains one of the foremost priorities of the Planning and Development Board and I assure all of our partners of our full support in making this a reality.

Dr. Wasif Khurshid
Chairman
Planning & Development Board
Government of the Punjab

Preface

It is a lifetime privilege for me to participate in the process of institutional development of the Punjab Social Protection Authority and finalise the pioneering work on this policy, initiated by PSPA's founding Chief Executive Officer, Dr Sohail Anwar. Following the guiding principle envisaged in Pakistan's National Social Protection Policy Framework, all federating units needed to come up with provincial policies that outlined the objectives of social protection, its guiding principles, and the policy instruments and mechanisms in their respective provinces. The Punjab Social Protection Authority Act also envisaged a social protection policy. This document fulfils that technical requirement as well as delves deeper into the programmatic issues illuminating a practitioner's way forward.



PSPA adopted a research based participatory approach to policy development and engaged all stakeholders throughout the process of policy development. The engagement of all stakeholders ensures the ownership of all implementing partners (public, private and developing partners) regarding the social protection policy.

This policy sets five strategic objectives of social protection to be achieved in the Punjab. These include social cohesion, equity, gender equality, resilience, and opportunity. The document also reviews the key challenges that necessitate a comprehensive social protection policy in the province, such as persistent poverty, vulnerability and high disparity, poor nutrition and health outcomes among young children, the job challenges faced by the youth, gender inequality in the labour market, the risks associated with international migration, and income insecurity among marginalized groups such as the elderly and people with disabilities. To overcome these challenges and deliver smart, dignified social protection, the policy delineates eight principles of social protection programming: i) a systems approach to social protection that adopts a life-cycle approach; ii) poverty reduction and prevention; iii) the prevention of the intergenerational transmission of poverty; iv) inclusion; v) adequacy of the benefits; vi) evidence-based decision making; vii) citizen engagement and reciprocity; and viii) promoting the self-sufficiency and sustainability of the operations. Social protection programmes based on these guiding principles, can help to achieve the objectives set forth in this policy.

I hope that this policy will provide strategic direction to numerous public as well as private sector organizations that aim to enhance the cause of inclusive wellbeing in the Punjab and beyond. Many of these organizations were also instrumental in providing advice and feedback during the preparation stages of this policy in a series of consultative activities, including workshops and seminars. These include various federal ministries, provincial departments, autonomous bodies, and other public sector and voluntary organizations. PSPA is also grateful to the representatives from academia including the Punjab Economic Research Institute (PERI), Lahore University of Management Sciences, and University of Management and Technology. PERI organised a consultative session and developed a summary report on the consultative session, for which we are grateful. PSPA also expresses its sincere gratitude to the World Bank for its support with the drafting of an earlier version of the policy and the Sub-National Governance Programme for its support with the review and update of this policy. Lastly, many thanks to the board and team members of PSPA (especially Muhammad Kashif Saeed, Director Policy and Strategy) for their respective roles in the deliberation, approval and dissemination stages of the policy.

Tauseef Dilshad Khatana
Chief Executive Officer
Punjab Social Protection Authority
Government of the Punjab

List of Abbreviations

ALMPs	Active Labour Market Programmes
BEOE	Bureau of Emigration and Overseas Employment
BISP	Benazir Income Support Programme
CCTs	Conditional (Co-responsibility) Cash Transfers
DFID	Department for International Development
EObI	Employees Old Age Benefits
ESSI	Employees' Social Security Institutions
FCDO	Foreign, Commonwealth & Development Office
GCC	Gulf Cooperation Council
G2G	Government to Government
LUMS	Lahore University of Management Sciences
MIS	Management Information System
M&E	Monitoring and Evaluation
NFC	National Finance Commission
NADRA	National Database and Registration Authority
NGO	Non-Governmental Organizations
NSER	National Socio-Economic Registry
PER	Public Expenditure Review
PERI	Punjab Economic Research Institute
PEOP	Punjab Economic Opportunities Programme
PSDF	Punjab Skills Development Fund
SNG	Sub-National Governance Programme
SP	Social Protection
SDGs	Sustainable Development Goals
TEVTA	Technical and Vocational Education and Training Authority
UCT	Unconditional Cash Transfers
UMT	University of Management Sciences
WB	World Bank
WWF	Workers Welfare Fund

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Executive Summary

The Government of the Punjab is committed to improving the standard of living among its population in general and especially among the poor and vulnerable segments of society through introducing reforms in the social protection sector considering this a major instrument for enriching the lives of poor, vulnerable and marginalized. Recent studies and reviews on the social protection landscape of the Punjab highlighted several issues existing within this sector. These issues include fragmentation, duplication, limited outreach, the low capacity of the public sector to implement and track social protection initiatives, weak mechanisms for identifying and targeting the poor and the vulnerable, inadequate arrangements for graduation of the beneficiaries, inadequate institutional arrangements for the multi-sectoral orientation of the social protection agenda, a lack of innovative systems for payment and management information systems and the under reporting of the social protection expenditure at provincial, national and international levels. A World Bank and FCDO (ex-DFID)-assisted review of the Punjab Social Sector Public Expenditure was conducted in 2013, which showed an expenditure of PKR 60 billion by various provincial government departments. One of the major reforms of the Government of the Punjab, designed to resolve all these issues as well as coordinate, oversee and monitor the activities of social protection in the province, was the establishment of the Punjab Social Protection Authority through an Act of the provincial legislature in 2015. The Punjab Social Protection Authority aims to provide a comprehensive, efficient, effective and inclusive social protection system for poor and vulnerable people in the Punjab. To this end, PSPA is also responsible to identify the social protection coverage gaps and conceptualising new projects and programmes to fill these.

The need for policy development in the province was initially recognized by the Punjab Social Protection Authority to achieve its targets related to developing and strengthening the social protection system as well as reduce poverty and inequality existing in the province.

The Punjab Social Protection Policy is the first ever provincial policy to have the strategic objectives of promoting social cohesion, equity, gender equality, resilience and opportunity. The document discussed in detail the key challenges that require a comprehensive SP policy in the Punjab e.g. persistent poverty and vulnerability and high disparity, poor nutrition & health outcomes among young children, the job challenges faced by the youth, the persistent gender inequality in labour outcomes, the risks associated with international migration, and the income insecurity among the elderly and people with disabilities. It also provides an overview of the recent development in the Punjab's policy development including the legal, institutional, strategic and financial development. The policy consists of eight principles including; i) a systems approach to social protection that adopts a life cycle model and provides equitable access to all citizens and protect them against risks to their livelihoods and well-being; ii) poverty reduction and prevention; iii) the prevention of intergenerational transmission of poverty; iv) inclusion; v) adequacy & affordability of -benefits; vi) evidence based decision-making; vii) citizen engagement and reciprocity; viii) promoting self-sufficiency and sustainability of operations. The components of this policy revolve around the three areas of social protection i.e. Social Assistance, Social Insurance, and Labor market Policies.

The current policy arena in social protection sector enables the policy to conceptualize and prioritize the areas for interventions as the way forward over the next three to five years. All stakeholders are agreed upon the identification of six key strategic areas but wish to prioritize four areas of intervention in the near future: harmonizing and streamlining existing social protection programmes; introducing new initiatives where there exists a large coverage gap; strengthening the administrative system and linkage with other sectors and initiatives for basic services; and formulating a shock responsive social protection strategy.

1. Introduction

The Punjab Social Protection (SP) Policy outlines the Government of Punjab's efforts to reduce poverty, inequality and vulnerability in the province while promoting resilience and opportunities. The policy aims to provide guiding principles and priority areas for the Punjab regarding the implementation of various SP programmes. It also complements the poverty reduction vision of the federal government outlined in the Ehsaas Strategy, which depends on the participation of all federating units for its implementation. This vertical alignment will ensure that both the federal and provincial government of the Punjab are pursuing a comprehensive, consistent set of policies to help Pakistan to achieve poverty reduction and inclusive development.

Social protection has been at the centre of the development discourse in Punjab. While the province has made enormous progress in reducing poverty,¹ widespread disparities persist in poverty incidence and access to basic services across different populations and regions. While the Ehsaas Kafalat programme provides minimum income support to the poor households as a federal programme, the Punjab Government has been actively responding to the needs of the province by increasing the size and scope of its SP portfolio. This includes the expansion of SP through both the provincial resources as well as donor-assisted collaborations. Various SP activities in the province now require a clear policy direction for greater effectiveness. The devolution of the social sectors to the provincial governments since the 18th Constitutional Amendment and creation of the Punjab Social Protection Authority (PSPA), with the mandate to establish a comprehensive and effective SP system for individuals and households living in poverty in Punjab, also provide an opportune moment for developing the first SP policy in the province facilitating the conceptualization of the direction and intended outcomes of all welfare measures.

The SP policy development process, led by PSPA, has been consultative and evidence-based over the past few years. In 2017-18, it began with an extensive review of the international practices regarding the development of SP policies, especially in developing countries facing challenges similar to Pakistan. This was followed by a review of the academic literature and ongoing SP initiatives in the Punjab and Pakistan. The next step was to engage with a set of key social policy actors in the province, including elected representatives, government functionaries, academics, philanthropists, civil society representatives, and the beneficiaries of the existing programmes, a subset of which formed a working group and engaged in various stages of the policy development, led by PSPA. A set of priority sectors for the provincial government were identified and the policy decisions in each of these sectors were listed. The draft policy comprising these decisions in the priority sectors was shared with the stakeholders and their feedback was incorporated. Following the unprecedented disruption of economic and social life by COVID-19, the P&D Board initiated fresh consultations on economic stimulus and social protection in the Punjab, which resulted in a strategic document titled 'Responsive Investments for Social Protection and Economic Stimulus' (RISE). The draft SP Policy of the Punjab was again revisited by PSPA and SNG to capture the essence of these new consultations and their recommendations. The current version of the policy thus represents the ownership and commitment of the current political and administrative leadership to reform, streamline, and broaden the SP scope in the Punjab, in times of both stability and crisis.

¹ Lopez-Calix et al. (2014)

In determining the direction and prioritizing actions under the policy, particular attention has been paid to the complementarity and consistency of the agenda of the Punjab with the priorities and objectives of the Planning Commission's prior work on conceptualizing Social Protection in Pakistan, as available in the draft National SP Policy Framework and the Ehsaas Strategy.

The Punjab Social Protection Authority Act, 2015 defines SP as follows:²

All public and private initiatives that provide income or consumption transfers to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalized with the overall objective of reducing the economic and social vulnerability of poor, vulnerable, and marginalized groups.

In line with this definition, but focusing on the public aspects of SP, this policy document discusses key objectives and instruments to be considered by the Government of Punjab and is organised as follows. Section 2 discusses social protection in the macroeconomic and socioeconomic context in Punjab. It lays out six challenges facing Punjab's development prospects which require a comprehensive SP policy. These include high persistence of and disparities in poverty and vulnerability, poor nutrition and health outcomes among young children indicating a high degree of intergenerational transmission of poverty, the job challenges faced by the youth, gender inequality in labour market outcomes, the risks associated with international migration, and the limited access to social services, particularly among the elderly and people with disabilities. This is followed by Section 3 on the policy environment in the Punjab, discussing the recent legal and institutional developments that impact social protection. Section 4 presents the Punjab SP Policy in detail. It enunciates the objectives and principles that underlie the SP Policy, and describes the policy instruments, such as social assistance, social insurance, and labour market promotion and intervention, to address the six challenges identified in Section 2, in light of the policy circumstances described in Section 3. Section 5 then proceeds to outline the actionable plans for Punjab in the short and medium-term, in order to implement the SP Policy and achieve its policy objectives. Finally, Section 6 concludes the document by emphasizing the need for periodic reviews of the SP policy by employing a consultative process with the key stakeholders.

2. Key Challenges that require a Comprehensive SP Policy in Punjab

The Punjab government launched the Punjab Growth Strategy 2023 in 2019. This strategy aims to put the Punjab on the path to sustainable, inclusive economic growth, with an annual growth rate of 7%³, which would enable the Punjab to benefit from the ongoing favourable demographic transition of the abundant youth population. As growth is not sufficient for poverty alleviation, the Strategy rightly aims to reducing the multi-dimensional poverty in the Punjab, particularly in the most deprived districts, improve parity in education, health and water indicators, job creation and development of human capital.⁴ The SP Policy builds upon this strategic direction, and provides a set of actions whereby the province may achieve these goals in line with the national priorities and international

² The definition of SP in the PSPA Act differs slightly from that of the National Social Protection Policy Framework adopted by the Planning Commission. This document adopts the former, but may revise its definition as the province's SP moves forwards.

³ This growth rate and incidental projection need to be revisited in the wake of COVID-19 and the Strategy is under review with SNG.

⁴ Government of the Punjab (2019).

norms.⁵ However, in order to move in the desired direction, it is important to understand the following key challenges, which necessitate a comprehensive Punjab SP Policy for sustainable and inclusive growth. At the same time, it is also important to remember that a comprehensive SP policy, in itself, will be insufficient to resolve all of these challenges. A multi-sectoral approach needs to be adopted to implement this policy and achieve the aims of welfare and inclusive growth.

2.1. Persistent Poverty and Vulnerability, and High Disparity

The Punjab has made great strides in terms of poverty reduction, with the consumption-based poverty rates falling from 31 per cent to 12 per cent between 2001/2002 and 2010/2011.⁶ Like many other countries, following substantial progress in poverty reduction, in 2016, Pakistan revisited its poverty threshold and updated it from PKR 2,259 to PKR 3,030 per adult equivalent per month, to reflect the improved standard of living in the country and to be more inclusive in implementing anti-poverty policies. Based on the new poverty line, around a quarter of the total population (about 26 million) in the Punjab was living in poverty in 2013/2014.⁷

Despite the progress, a large proportion of the Punjab population is clustered around the poverty line and hence remains vulnerable to poverty, especially during shocks and crises such as COVID-19, as shown in Figure 1A. For example, increasing the poverty line by just 1.5 times, to PKR 4,545, would bring the poverty rate to over 60 percent. In fact, the recession caused by the COVID-19 is expected to have serious implications for the poverty and vulnerability levels. Based on estimates for the national economy, the Pakistan Institute of Development Economics (2020) forecasted poverty incidence to more than double in the case of zero to 1.5 % GDP growth. The Punjab, being the largest province of Pakistan, is expected to bear the brunt of this hike in poverty and deprivation. Thus, poverty and vulnerability among a large number of households are expected to pose greater challenges to the social protection efforts in the Punjab. Moreover, there exist high disparities in living standards within the province across different regions and population groups. For instance, as Figure 1B shows, the southern districts are lagging considerably behind their northern counterparts.

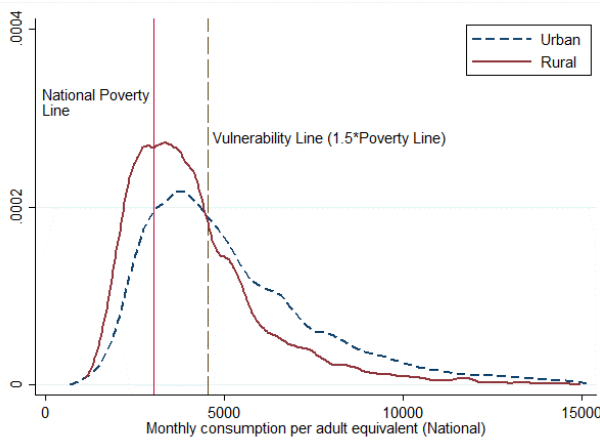
⁵ Lists of relevant provisions of the Constitution of Pakistan and Pakistan's obligations under international agreements and conventions are provided in Appendices A and B respectively.

⁶ Lopez-Calix et al. (2014)

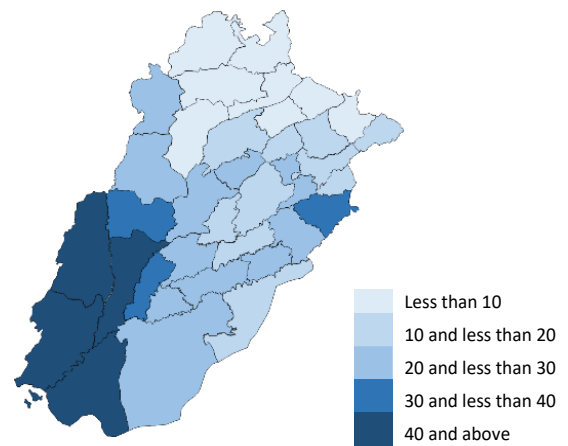
⁷ According to federal as well as provincial multidimensional poverty estimates, multidimensional poverty in Punjab has also decreased over time. According to Planning Commission, UNDP and OPHI (2016), poverty in the Punjab reduced from 49.7 percent in 2004-05 to 31.4 percent in 2014-15. On the other hand, the Government of the Punjab (2019) based on Punjab MICS 2018 survey, shows that the headcount ratio of multidimensional poverty in the province is now 26.1%.

Figure 1: Poverty and Vulnerability in the Punjab

A. Distribution of Monthly Per Capita Consumption



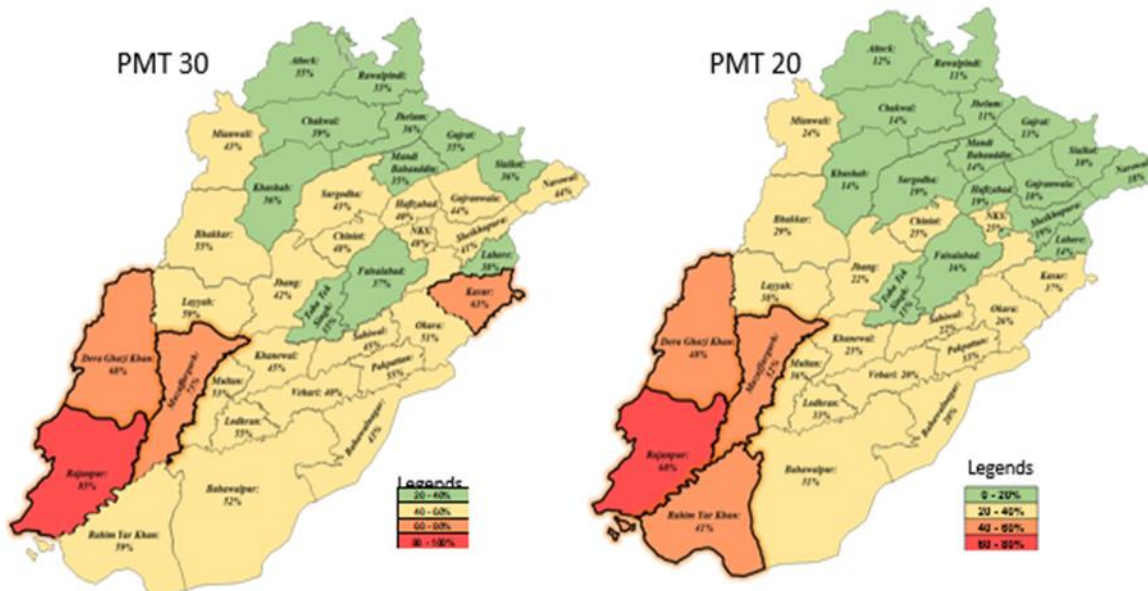
B. Poverty Rates by District⁸



Source: Household Income and Expenditure Survey (2013) and Arif (2015).

The distribution of poverty in Punjab based on the poverty scorecard survey using the Proxy Means-testing (PMT) method for two thresholds (PMT 20 and 30) is shown in Figure 2. Both Figure 2 and Figure 1 B show acute geographic disparity in terms of poverty.

Figure 2: Distribution of the beneficiary households in the Punjab at PMT 20 and 30



Source: PSPA's calculations based on the NSER data and projected population in 2018

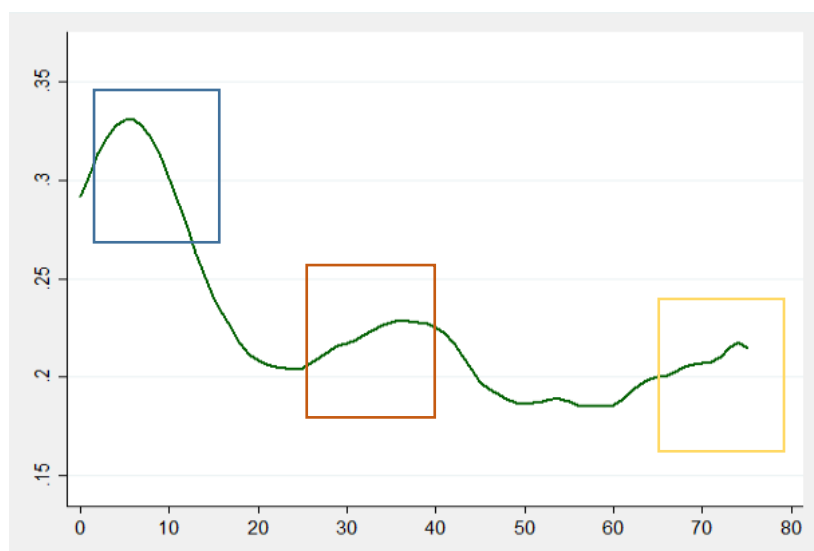
In terms of demographic vulnerabilities, women suffer disproportionately from poverty as they face multiple exclusions and constraints. Their overall labour force participation rate is about a third of that of men, and they are also restricted to taking low-paid, irregular, and insecure jobs that provide few opportunities for upwards mobility. The combined effect of the low labour force participation rates,

⁸ The map is constructed based on district level poverty estimates from Arif (2015), and thus does not reflect the updated poverty line.

exclusion from stable or high-income jobs, and gender-based wage differentials readily translate into a large income gap between the two genders. The male-female income ratio is 17 in the rural areas and 16 in the urban areas.⁹ Consequently, female-headed households (12% in Pakistan¹⁰) are more exposed to the risks of falling into poverty than male-headed ones. **Women, thus, emerge as an important target group for all SP interventions.**

When plotting the share of individuals who are living in poverty along the age of individuals in the province, the figure highlights that three notable age groups are highly vulnerable to poverty (Figure 3).¹¹ The rates of individuals living in poverty are highest among young children aged zero to 10 years. This may be because young children tend to reside in households with young parents who may not yet be economically established. In fact, the poverty rates among young adults in their early 20s and 30s increases with age, reflecting that young adults may struggle as they form their own households independent of their parents, and become parents themselves. Another notable group exposed to poverty is the elderly, aged 65 years and above. This is probably because of the lack of income generating opportunities for older people and the poor access to pensions or savings opportunities. These three groups, although they differ in terms of the severity of the poverty and size of the population, suggest priority areas for the Government to intervene with SP instruments.

Figure 3: The Share of Individuals Living in Poverty by Age in the Punjab



Source: HIES 2013

In addition to age and gender, while designing SP programmes, the Government is also committed to considering other critical dimensions besides income, which are highly correlated with vulnerability. Individuals and households can be defined as vulnerable when they are at a high risk of falling into undesirable living outcomes and moving in and out of transitory poverty, in addition to those who are trapped in chronic poverty. This list can include the elderly, orphans, widows, people with disabilities,

⁹ Zaidi, A. (2015)

¹⁰ NIPS and ICF (2019)

¹¹ Note that the income distribution (measured by per capita household consumption) is estimated using the Household Income and Expenditure Survey (HIES) 2013. The graph shows a similar pattern according to age when the share of the bottom 20% of households is presented.

children, transgender persons, informal-sector workers, refugees, internally displaced persons and marginalized groups, as identified in the National Social Protection Framework and federal Ehsaas Strategy. The Government is also cognizant of the Punjab's vulnerabilities to natural calamities, epidemics, and disasters. An analysis of the historical data reveals that 66% of those affected by natural catastrophes in Pakistan resided in the Punjab, due to a number of factors, including the Punjab's high population density, limited infrastructure, and abundant residential properties on floodplains, and also the fact that disasters and calamities tend to affect vulnerable groups disproportionately more than others.¹²

Therefore, the Government is committed to address the disparities that exist across the regions and different population groups while continuing its efforts to reduce persistent poverty. A life cycle approach, inclusive of young children, the youth, and the elderly, is adopted for comprehensive policy measures, and appropriate policy instruments are to be utilized, depending on the needs and characteristics of the targeted population groups. A focus on women will help to address the persistent gender-based imbalances in the resource distribution, access to social services, and the constraints on women's participation in economic activities.

The federal Kafalat programme will continue to address the issues of extreme poverty and destitution by transferring the majority of SP resources to households within the bottom quintile of the income distribution. The federal government's Ehsaas Emergency Cash Programme was launched March 2020 by the Prime Minister in the context of the COVID-induced economic hardship. The programme, with an outlay of PKR 179 billion, provided PKR. 12,000 each to around 15 million deserving families through a biometrically enabled payment system. Similar new initiatives, under the Ehsaas umbrella, will continue to provide residual social assistance to all federating units in selected areas. Complementary to such over-arching unconditional cash transfers led by the federal government, the initiatives in the province should focus on specific segments of vulnerable populations, including households with very young children, the youth, women, the elderly, and people with disabilities.

2.2. Poor Nutrition and Health Outcomes Among Young Children

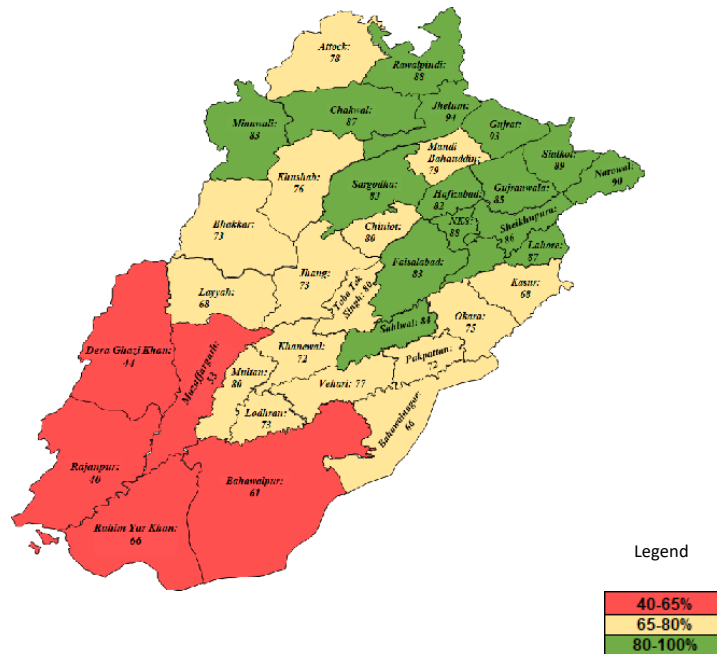
Among various shocks along one's lifecycle, health shocks can be the most devastating as they often have long-term impacts. Unexpected illnesses or diseases during one's early childhood can lead to life-long consequences, incurring high health expenditure while undermining the ability to generate income at later stages. Just as the cost of inaction to promote early childhood health and nutrition is considerable, the returns to SP policies and programmes to promote the adequate investment in health and nutrition of young children are also great. Given the high prevalence of poverty among young children in the Punjab, equal opportunities and access to early childhood development among low-income households needs to be emphasized.

While overall health insurance and quality care are important policy areas that should be led by the health sector, the SP policy must ensure that low-income populations have the means and information to access such programmes and services, and that poor outcomes are prevented by suitable early intervention. The Punjab, like the rest of Pakistan, has been lagging behind in meeting the global targets, such as the child mortality rates, immunization, and proportion of births attended by skilled

¹² World Bank (2015)

birth attendants. While the province has made some progress in these indicators over the years, the pace of progress has varied considerably across the districts. For example, between 1990 and 2018, the rates of skilled birth attendance in Punjab increased from 16 to 76 percent although large variation exists across the districts ranging from 40% in Rajanpur to 94% in Jhelum in 2018 (Figure 4).¹³ Similar disparities can also be observed for other indicators, such as the infant and under-five mortality rates.

Figure 4: Skilled Birth Attendance by District



Source: Multiple Indicator Cluster Survey Punjab, 2018

Nutrition outcomes, while better than the national averages, are also poor in the Punjab (Figure 5A). The Punjab Government is currently making efforts to improve the health and nutrition outcomes among young children, particularly through immunization programmes and health sector reforms. However, 23% of the children under five in the Punjab are underweight, 36% are stunted, 49% are vitamin A deficient, and the prevalence of anaemia is 52%. Malnutrition among the children in the province is likely to be highly associated with pervasive food insecurity (Figure 5B), which is particularly high among households in the bottom two quintiles

The low nutritional outcomes and consequent high mortality among young children is directly linked to the poor nutritional status of their mothers. In global comparisons of countries with similar levels of GDP per capita, it is hard to explain Pakistan’s relatively high infant mortality rate and the proportion of children under five suffering from mal/under-nutrition, except through a reference to gender-based discrimination in intra-household food distribution and access to health services. Surveys have found that girls in Pakistan are less likely to be immunized than boys and, in case of illness, more likely to be taken to a traditional faith healer, a homeopath or a paramedic rather than

¹³ Population Council (2014)

a qualified medical practitioner.¹⁴ Weak, under-weight mothers with highly insufficient access to reproductive healthcare pass on their burden of ill-health to their children.

Figure 5: Nutrition Outcomes in Punjab

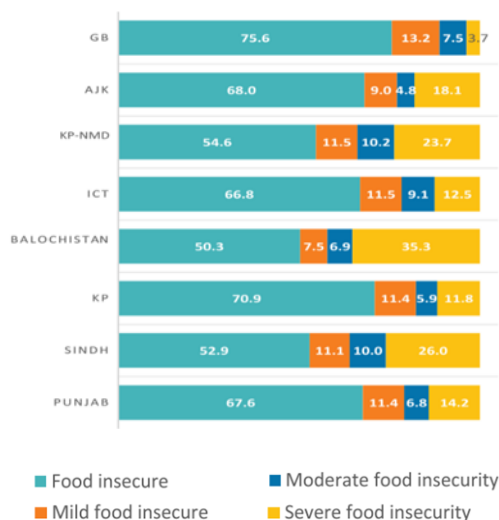
A. Nutritional Status of Punjab

Under-Nutrition Status	Punjab	Pakistan
Child* malnutrition		
Underweight	23.5%	28.9%
Stunted	36.4%	40.2%
Wasted	15.3%	17.7%
Child* micronutrient deficiencies		
Vitamin A deficiency	49.1%	51.5%
Anemia	52.1%	53.7%
Zinc deficiency	18.0%	18.6%
Women** micronutrient deficiencies		
Vitamin A deficiency	25.0%	27.3%
Anemia	41.1%	42.7%
Zinc deficiency	24.1%	22.1%

* Children aged 0-59 months

**Women of reproductive age (15-49 years)

B. Food Security



Source: National Nutrition Survey 2018

Besides poverty and food insecurity, poor nutritional outcomes are also associated with parental awareness and behavior regarding breastfeeding practices, quality of diet, and utilization of regular health check-up opportunities. Poor health and nutrition, along with uninformed parenting practice, can have detrimental consequences for children’s cognitive and non-cognitive development. As well-established research suggests, the first 1,000 days following conception is a critical window of opportunity for the major development of children. The skills developed during early childhood determine a child’s ability to learn, work with others, and develop a wide range of other foundational

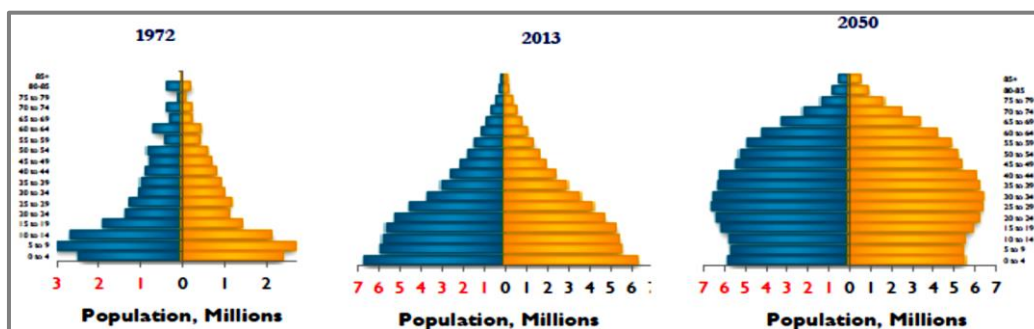
¹⁴ Hazarika, G. (2010)

skills that will form the basis of his/her's future learning and labour market success. In an economy where a large number of children are malnourished, the school enrolment is low and the learning outcomes are poor, the prospect of developing a competent workforce and achieving sustainable growth is weak. Therefore, there is an urgent need to leverage SP systems to invest in early childhood development, taking into consideration these underlying issues, including the food insecurity and poor nutritional outcomes among children. Conditional (Co-responsibility) cash transfers (CCTs), contingent upon health check-ups and household behavioral changes conducive to the adequate development of children, have been widely implemented in numerous countries and ample international evidence has been accumulated. Both SP and the health sectors should collaborate to generate positive outcomes and make progress in this area.

2.3. Job Challenges Faced by the Youth

Like the rest of the country, the Punjab is in the midst of a demographic transition, with a large number of people attaining working age and expanding the share of the working age population at a faster rate than the total population (Figure 6). Every year, about 1.25 million new workers enter the labour market in the Punjab.¹⁵ Combined with the slow declines in the fertility rate, the current demographic transition, characterized as a youth bulge, is likely to continue for a while. To turn this demographic transition into a dividend, the economy should be able to absorb the young workers in labour market and income generating activities. The population dynamics calls for urgent policy actions to promote more, better, and inclusive employment among young workers, and there is room for SP policy to intervene.¹⁶

Figure 6: Population Distribution Prediction



Source: Punjab Growth Strategy 2018

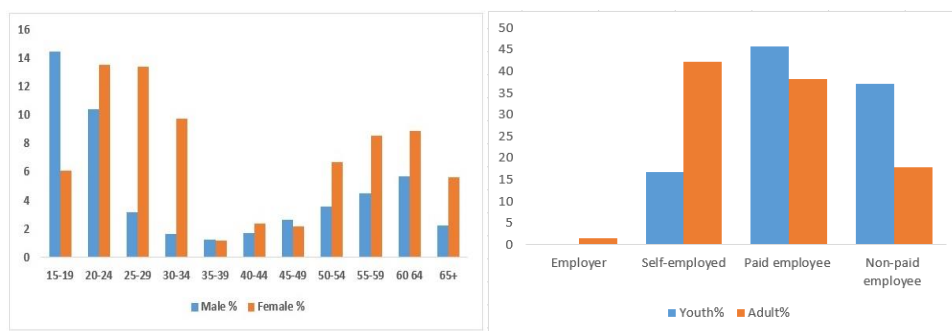
Similar to other countries, the youth face greater challenges in the labour market than older adults. They are more likely to be unemployed (Figure 7 A) and more than half of the unemployed population in the Punjab is comprised of the youth.¹⁷ Even among the employed, the quality of the jobs is concerning, as the youth are predominantly involved in non-paid, family work (Figure 7B), or more likely to work in the low-paid sectors, such as construction and mining. This suggests that the youth are substantially limited in terms of their access to quality earning opportunities.

¹⁵ Punjab Labour Policy (2015)

¹⁶ Cho and Robalino (2012).

¹⁷ The age bracket used for the youth here is 15 to 24 years. The unemployed include those who are currently not working but have sought work opportunities in the last seven days, following the conventional definition of unemployment.

Figure 7: Unemployment Rate and Distribution of Employment Status

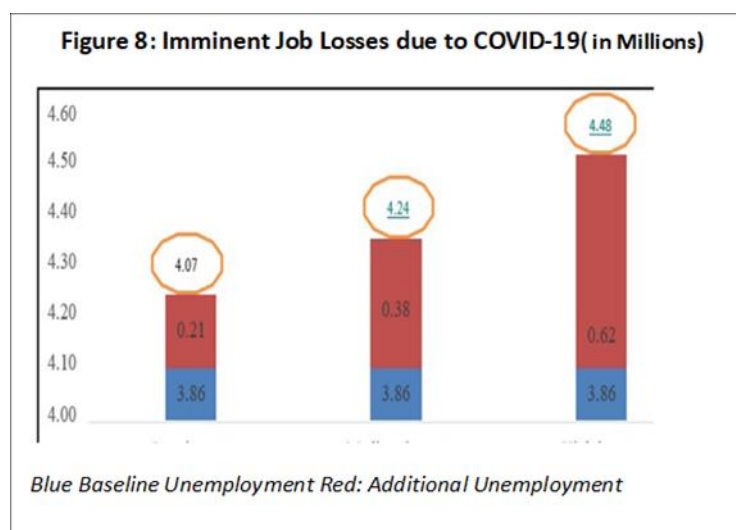


A. Unemployment Status by Age

B. Employment Status by Age Group

Source: Labour Force Survey 2017/18

Due to COVID-19, an unusually high number of people are likely to be affected in terms of their job and work. Although it is still too early to estimate the total impact of the current crisis on employment in the Punjab, the Pakistan Institute of Development Economics (PIDE), in a study, envisaged job losses following three scenarios of growth¹⁸: high impact (0–1.5% GDP growth); medium impact (1.5–2.5%); and low impact (2.5–3.5%). Figure 8 shows that the unemployment figure may rise by from 0.21 million (the low impact scenario) to 0.62 million (the high impact scenario) from a base of 3.86 million in 2019. The situation is further aggravated by the high level of informality within the labour market, which hampers not only the efforts to reach out to any laid-off workers during events like COVID-19 but also to enrol them in any upcoming social security and insurance programmes to make social protection more sustainable for the government.



An important challenge in this area is the relatively low human capital among the labour force. Recognizing the necessity of skills to take advantage of the demographic dividend and improve the *status quo* for youths, the Government is committed to provide training to the youth while also maximizing the returns to skills training through complementary interventions (see the Punjab Skills Development Sector Plan). The plan has been developed based on lessons learnt from previous and ongoing initiatives that particularly focus on technical and vocational education and training (TVET)

¹⁸ PIDE (2020).

programmes in Punjab. Evaluations have shown that accessibility to skills development opportunities has remained a concern because a high proportion of the youth lacks the educational attainment required for entry (e.g., a matric level education as a prerequisite for TVET) or the foundational skills to undertake further training. This is the case particularly for youths living in households that fall in the bottom 40% of the income distribution, as less than 20% of them have an educational attainment equivalent to the matric level or above.

Even among the more educated graduates of the TVET institutions, the transition to the labour market has not been without its challenges. A tracer study among TVET male graduates, conducted by the Punjab Skills Development Fund (PSDF), found that, 16 months after completing their training, only about a half of the graduates were engaged in either wage- or self-employment opportunities while the rest were engaged in non-paid family work and daily labour.¹⁹ Furthermore, close to half of the graduates who were in wage- or self-employment took up to a year to find a job. Both the low placement rates and long job-search period suggest that the quality of TVET training needs to be enhanced and complementary interventions that strengthen the linkages of trainees with jobs and the markets should also be provided.

In addition to fostering skills development through the formal mechanisms of higher education and TVET, complementary active labour market programmes (ALMPs), utilizing non-formal training modalities, should be considered. Such non-formal training can be designed to achieve equity and opportunities at the same time by including those living in low income households who have been excluded from formal skills development opportunities. Employer-provided on-the-job training, rural value chain integration and capacity building, and business training and entrepreneurship are among the options for non-formal training.

Apart from improving the TVET sector and providing complementary ALMPs, a strong emphasis will continue to be placed on strengthening the formal and informal education system. The net enrolment rate for primary age (6-10) in Punjab is 70%, with a high disparity across the districts, ranging from a low of 52% to a high of 90%²⁰. The quality of education, too, remains a grave concern. The 2018 Annual Status of Education Report (ASER) study shows that 31% of grade 5 children in the rural Punjab cannot read grade 2 texts. Thus, the ability of the formal education system to foster basic skills among the future workforce is of concern. Cognizant of the poor educational outcomes, the Government has made education a major priority, and expenditure in the education sector is already an important aspect of the Punjab Government's budget. There are a number of education-related initiatives that fall under the ambit of SP. These include initiatives such as the provision of cash transfers contingent upon school enrolment and attendance (Zavar-e-taleem Programme), and the provision of school materials for children-in-need attending school. Initiatives undertaken by the Literacy and Non-formal Basic Education Department to provide basic education and literacy to out-of-school (OOS) children and adolescents/adults from poor and marginalized groups (such as slum dwellers, children in workforce, nomads, culturally-constrained females, overage population, religious minorities, population of remote areas, transgender persons, prisoners, etc.) are also playing an important role in filling the gaps that the formal education sector is unable to fill, particularly in the post-COVID-19 world where flexible education delivery modes have assumed greater significance.

¹⁹ Punjab Skills Development Fund (2014).

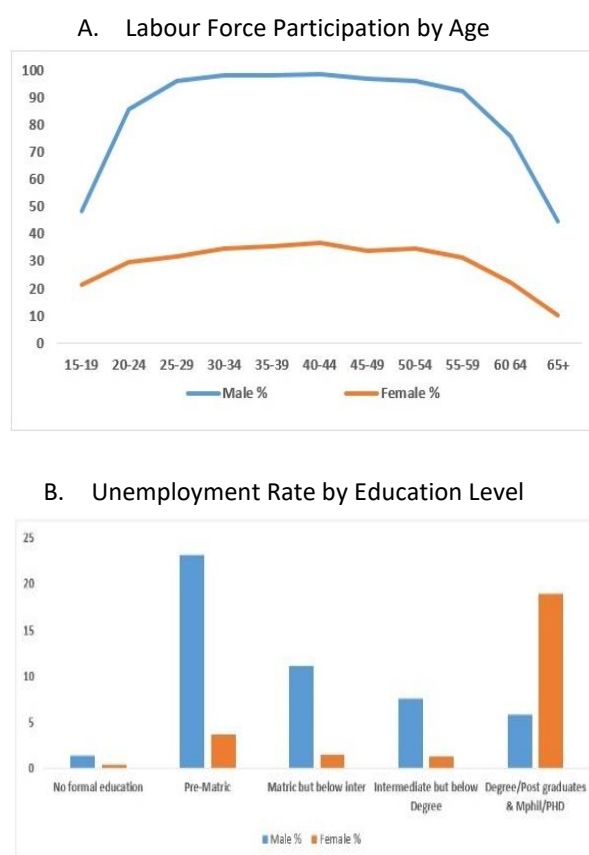
²⁰ Government of Pakistan (2021).

2.4. Persistent Gender Inequality in Labour Outcomes

The gender gap in the labour market opportunities and outcomes is persistently large in Punjab. Female labour force participation has improved modestly over the decade but remains very low, at 26% compared to 70% among men (Figure 9A).²¹ A high proportion of employed women are engaged in unpaid employment and, among those employed in paid jobs, the share of those in low-paid sectors, such as agriculture, is high. Even the better educated women in the urban areas, positioned in the top quintile of the educational distribution (with a secondary or higher education), face challenges: their unemployment rate is more than three times that of their male counterparts with similar levels of education (Figure 9B).

Multiple economic, social, and cultural factors are likely to affect this persistent gap. Overall, the education level is lower for women, with the gender gap greater in the rural areas. The responsibility for household chores and care disproportionately fall upon women. Their limited mobility also restricts women from participating in training opportunities or income-generating activities in the labour market.²²

Figure 8: Gender Disaggregated Employment Outcomes



Source: LFS 2017/18

²¹ LFS 2014/2015

²² Cheema et al (2013), for instance, estimate that for every kilometer increase in distance from skills training center, the course completion rate for women drops by 6 percentage points.

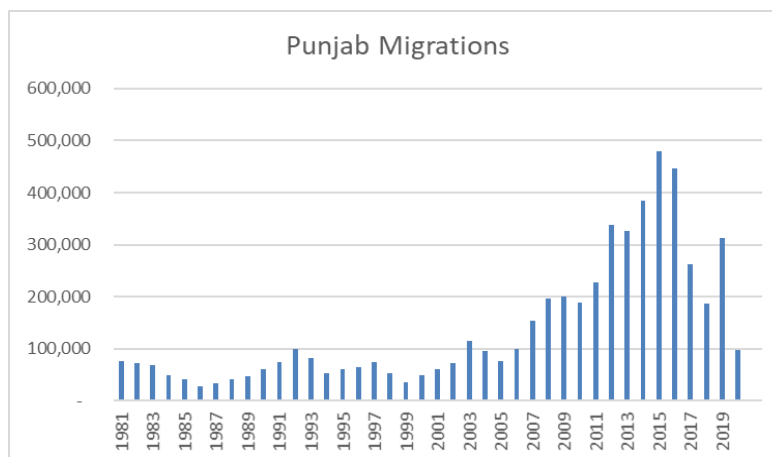
On the other hand, the demand side constraints are greater for women as well. The Punjab Economic Opportunities Programme (PEOP) Employer Survey found that employers in Punjab were generally reluctant to hire female workers, except in a few sectors, such as education and health.²³ In addition, job search and recruitment practices that rely heavily on social networks and limited access to financial products (e.g., loans and savings), can significantly disadvantage women with regard to their wage and self-employment opportunities, respectively.

The Government will harness the improvement in women’s education and recognize them as important contributors to economic growth by providing them with economic opportunities that accommodate the various constraints they face.

2.5. Risks Associated with International Migration

Pakistan is the second highest migrant-sending country in South Asia. The Bureau of Emigration and Overseas Employment (BEOE) reports that close to 950,000 Pakistanis left the country to take up foreign jobs overseas in 2015, with over 95% to Gulf Cooperation Council (GCC) countries to engage in temporary, low-skilled jobs in construction, manufacturing and services (mostly as drivers). Over 50% of the overseas workers from Pakistan are from the Punjab, thus making remittances a substantial part of the province’s economy. The demographic transition in the Punjab will continue to pressure the domestic labour market, and international labour migration and remittances will play an important role in providing incomes. The Punjab Labour Policy 2015 recognizes tapping the vast overseas employment opportunity and better management of migration as key priority areas. For example, the Government aims to assist 200,000 skilled and semi-skilled workers from the Punjab to seek employment in the Gulf States in the next four years.

Figure 9: Outmigration from the Punjab



Source: Bureau of Emigration and Overseas Employment (BEOE)

Given the extent of international labour migration and importance of remittances in improving households’ wellbeing and reducing poverty, ensuring continued access to overseas labour markets and adequate skills development is a high priority for the Government. At the same time, it is also recognized that migrant workers are exposed to a great deal of uncertainty and risk, such as fraud and abuse by middlemen, low remuneration and exploitation by employers, and a lack of access to basic

²³ Cheema (2012).

services, to name a few. Providing workers with protection and equipping them with adequate resources and information, particularly for those from low-income households who choose international migration as a poverty reduction strategy, will be an important role for the SP sector.

In this regard, the Government will facilitate informed decision-making among aspirant migrants, strengthen worker preparation including suitable skills development, and promote safe migration. While some policy efforts, such as Government to Government (G2G) arrangements on international labour migration, require a national level engagement, the Punjab government can establish a system that effectively supports workers, including providing pre-decision information, pre-departure orientation and training, and post-departure remittances management and reintegration with the community. In providing these services, the citizen interface widely used for SP approaches can be greatly utilized.

2.6. Income Insecurity among the Elderly and People with Disabilities

As highlighted earlier, the elderly in the Punjab face high poverty rates, given the limited access to income-generating activities and low levels of lifetime savings. With improved longevity, the proportion of elderly people in the Punjab is expected to increase.²⁴ Currently, the Punjab lacks policies and programmes that target the elderly living in poverty. The social security system in the Punjab offers a pension to a limited number of formal sector workers. Public sector workers are provided with civil service pensions, while some formal, private sector workers have access to pensions from Employees Old Age Benefits (EOBI) and benefits from programmes such as the Workers Welfare Fund or Employees' Social Security Institutions. However, given that the majority of the Punjab's workers are employed outside the registered establishments, they do not benefit from such schemes. Most workers, if they have been unable to save or have no assets to liquidate, often lack financial provision for their old age.

As for people with disabilities, in 2016, the provincial Government (led by PSPA) introduced an income support scheme which utilizes the National Socioeconomic Registry (NSER) for robust poverty targeting of deserving beneficiaries through a newly introduced payments system called the Khidmat Card. This system initially provided payments to the beneficiaries through their virtual bank account, from which a stipend could be withdrawn through either an ATM or branchless banking agent. Of late, this system has evolved into biometric payments. In an effort to move beyond cash transfers, PSPA also initiated income-generation and graduation schemes for people with disabilities by providing them interest-free credit and asset transfer to enable them to pursue livelihood opportunities.

The Punjab needs to develop a strategy for providing old age and disability support in a manner that is fiscally sustainable, with a particular focus on the elderly and people with disabilities who are living in poverty. This can be achieved by introducing a system to provide the working-age population with incentives and opportunities to save for their retirement and insure themselves against risks, along with access to non-contributory income support for the elderly in need (e.g., a social pension).

²⁴ Government of Pakistan (2014).

3. Recent Developments in the Punjab's Policy Environment

The Punjab Government is strengthening its efforts to implement effective policies and programmes to address the aforementioned challenges. The policy environment has been rapidly changing, and this section highlights the key developments in the Punjab that directly impact SP policies and programmes.

Constitutional Development. A key development in recent years has been the passing of the 18th Constitutional Amendment in 2010. Greater responsibility and autonomy for the provincial governments in delivering economic and social services have been emphasized, which re-defines the intergovernmental relations and roles. There is, therefore, a need for an improved understanding between the federal and provincial/regional authorities regarding their joint roles in the policy and design, implementation, and financing of social protection initiatives. The Government of the Punjab is proactively engaging and coordinating with the federal government to define inter-governmental relations in SP in the context of Pakistan's evolving federalism.

Fiscal Development. In addition to the 18th amendment, the Seventh National Finance Commission (NFC) Award in 2009 played a role in allocating greater resources to the Government through adopting a broader revenue base as well as larger share of the federal revenue. The Government is also committed to improve the efficiency of the public finance system through various initiatives. In the same spirit, the 2013 Punjab Social Sector Public Expenditure Review (PER) was conducted to improve the understanding of the landscape of the economic and social programmes as well as the Government's fiscal condition. The PER highlighted several development challenges faced in the Punjab that largely overlap with the six challenges discussed in the previous section. Furthermore, the PER found that the province's SP expenditure was PKR 59 billion in 2011-12 (approximately 10% of that year's government budget), but had limitations regarding properly addressing the needs of the individuals living in poverty.²⁵ According to the PER, approximately 65% of SP expenditure was spent on untargeted wheat subsidies and pensions for government retirees. However, over 90% of the programme costs for the wheat subsidies was spent on the bank mark-up rather than reaching the beneficiaries; moreover, the pension programme also faced a serious sustainability issue as the design was not actuarially sound. Therefore, the review underscored the need for a careful assessment of the various SP programmes in the province regarding their main objectives, target population, benefit adequacy, and implementation efficiency, to improve the cost effectiveness and financial prudence of the social programmes.

Institutional Development. In light of the PER findings, the Government of the Punjab established the PSPA, based on much deliberation and consultation with a wide range of stakeholders.²⁶ The promulgation of the Punjab SPA Ordinance took place in January 2015 and, subsequently, the Provincial Assembly approved the associated Act on April 15, 2015. The mandate of the PSPA is to establish a comprehensive, efficient, and effective social protection system for the poor and vulnerable in Punjab, with a greater emphasis on gender equity. PSPA is a broad-based, high-level

²⁵ Government of Punjab (2013).

²⁶ The Key stakeholders and relevant departments related to SP in the Punjab are listed in Appendix C.

institutional set-up, with the Chief Minister of the Punjab as its Chairperson. It has key government ministers and bureaucrats as its members, along with representatives of the Punjab Assembly and civil society. It is well placed to lead the process of harmonizing the design, scope and delivery of various SP interventions in the province.

In addition to improving the data sharing and coordination among various SP initiatives in the province, PSPA is expected to introduce new interventions, distil the learnings from them, and scale-up the more promising ones either under its own institutional arrangement or through another existing programme. Over the years, PSPA is also expected to grow into Punjab Government's dedicated institutional arm for locally introducing global best practices, with the specific objective of proposing, conceptualizing, designing, developing and implementing new SP interventions in the province. A key component of such research and development activity will be rigorous monitoring and evaluation (M&E) to assess if and to what extent the SP interventions are on course and achieve the desired results.

The Authority has been tasked with developing policies and frameworks for the effective implementation of SP interventions in the province and also coordinating and consolidating the existing programmes. As a statutory and a corporate entity, the authority's key role extends to policymaking and leadership to guide the design and joint delivery of SP initiatives within the province. For instance, all of the new cash transfer schemes envisioned in the province will need to be reviewed and approved by PSPA prior to their launch, to ensure effective service delivery and coordination with other initiatives. The Authority also constitutes an SP Coordination Committee,²⁷ appointed by majority vote. The Committee is responsible to coordinate with the federal government and other agencies regarding the functional linkages between the federal and provincial level SP initiatives as well as supervising of mutually identified programmes.

Strategic Development. As Pakistan's most populated region, the Punjab's policy has important poverty alleviating consequences for the country. The Government is actively participating in the SP policy dialogue at both the national and international levels and has provided valuable inputs to the development of key policy documents. At the federal level, this includes the draft National Framework on Social Protection, federal Ehsaas Strategy, and the Vision 2025 which provides a strategic guideline for action in several areas, including social protection. Internationally, the Government is contributing to a post-2015 development agenda, formulated in light of the Sustainable Development Goals (SDGs). The Government is playing a leading role in delivering its mandate to realize the vision enunciated within these national and international policy frameworks. It is also undertaking strategic initiatives in several areas to improve the efficiency and effectiveness of the allocated resources. In line with its Medium-Term Development Framework 2015-18 and the Punjab Growth Strategy 2023, the Government aims to provide more and better opportunities for human development and income-generating labour market activities for low income individuals so that the social sector can contribute to inclusive economic growth.

In response to the COVID-19 crisis, the Government of the Punjab has formulated the Responsive Investment for Social Protection and Economic Stimulus (RISE) Framework. The RISE Framework provides guidance, inter alia, on the social protection interventions for the short to medium term. It

²⁷ PSPA Act 2015

stipulates actions such as the establishment of a dynamic provincial social registry, formulation of a shock responsive SP strategy, development of a Punjab spatial vulnerability index, establishment of a social protection fund for the Punjab, development of an informal workers’ recovery plan, and the rolling out of the Punjab Ehsaas Programme. These actions are expected to not only mitigate the negative effects of the COVID-19 shock but also prepare the government for any such future shocks.

4. Punjab Social Protection Policy

In order to effectively address the province’s challenges and strengthen the SP system in line with the national and provincial agenda, this section lays out the goals and objectives as well as the principles of the Punjab SP Policy, and describes the priority areas for actions.

4.1. Vision, Mission and Strategic Objectives

Vision

To create a society whose members enjoy a good quality of life, and are able to pursue their personal, social and economic development

Mission

To ensure that all citizens ordinarily residing in the Punjab have a secure livelihood and access to suitable social protection interventions to protect them from falling below a socially acceptable living standard.

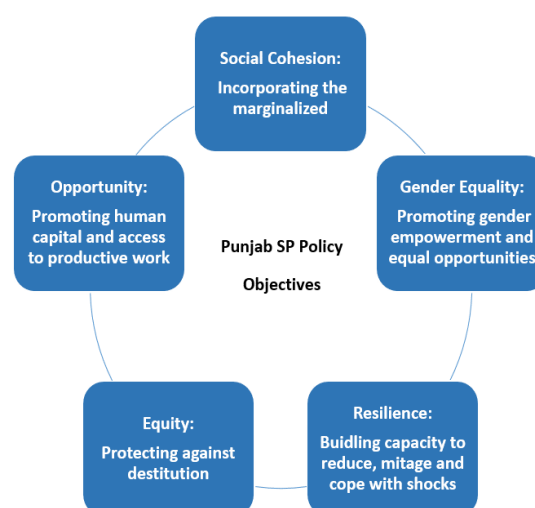
Strategic Objectives

The social protection regime in the Punjab aims to reduce poverty and inequality in the province, enhance the resilience of various groups when faced with economic shocks, create opportunities for upward social and economic mobility, promote gender equality, and enhance social cohesion by mainstreaming individuals who are living in poverty, vulnerable and marginalized.

Figure 10: Objectives of Social Protection in Punjab

These objectives (Figure 11) are elaborated as follows:

- 1) **Equity:** To protect households from destitution by ensuring a minimum level of income to support the consumption of food and other essential items and ensure access to basic services;
- 2) **Resilience:** To build the anticipatory, absorptive, and adaptive capacity of households against both idiosyncratic and covariate risks and shocks along the lifecycle;
- 3) **Opportunity:** To promote human capital accumulation and access to productive assets and income-generating activities;



- 4) Gender Equality: To promote gender empowerment and equal opportunities for both men and women; and
- 5) Social Cohesion: To incorporate and mainstream marginalized people through inclusive development and poverty reduction.

4.2. Principles of SP Programme Design and Implementation

The five strategic objectives can be achieved through adopting multiple policy instruments and programmes. While these objectives are inter-linked and complementary, prioritizing one over another in the face of competing demands within a limited fiscal space is not always straightforward. In prioritizing the areas for actions and designing and implementing the SP programmes, the following principles form the ground rules for action:

A Systems Approach: Rather than keep developing individual programs in silos, a comprehensive SP system will be conceptualized to promote a systems approach. This will encourage balanced SP development as well as utilization of diverse policy instruments to achieve the intertwined objectives discussed above. It will involve improving the integration and harmonization of fragmented programmes and as well as the attainment of implementation efficiency in the province. The provincial government aims to work toward consolidating similar or redundant social protection programmes in the province and maintaining a unified database of programmes as well as up-to-date socio-economic registries. The systems approach will require the extensive use of technology to establish cohesive administrative systems, including a common payment platform, one-window service delivery, and the development of a comprehensive Management Information System (MIS) based on interoperable databases so that multiple programmes may communicate with a single system. Such an approach will also allow the more dynamic updating of records and thus strengthen systems the monitoring and evaluation systems regarding various interventions. In addition, it emphasizes the close coordination of the Government with the federal government (e.g. the sharing of various databases and socio-economic registries) so that the SP systems throughout the federal and provincial governments will create synergies without duplication. A robust regulatory regime in the social protection-related sectors will provide an environment within which the systems approach can flourish.

Poverty Reduction and Prevention: In line with the Government's priorities, the SP initiatives will contribute to poverty reduction or prevention in the province, particularly prioritizing the reduction of extreme and chronic poverty. For this purpose, the effective poverty targeting in the province is a critical step. The Government is committed to a rigorous targeting and identification approach, to which the use of an updated NSER database can greatly contribute. This will be supplemented by instituting a provincial socio-economic registry, using administrative data to update and countercheck the socio-economic registries, and adopting alternative targeting approaches wherever feasible (e.g. geographical targeting where spatial differences in poverty and vulnerabilities exist as highlighted by the recent experiences of COVID-19 and locust attacks) and hybrid targeting which combines the strengths of different targeting methods (such as combining community targeting and targeting based on poverty scorecard surveys). In addition, the Government is also committed to identify groups of people who are at risk of falling into poverty due to old age, economic or health shocks, or natural disasters, and building their resilience to cope with these situations.

Prevention of the Intergenerational Transmission of Poverty: While reducing extreme poverty is a

priority, the SP policy will pay particular attention to preventing the intergenerational transmission of poverty by actively investing in the human development of young children living in poverty. A large body of literature and international evidence supports early childhood development as a key intervention to prevent individuals from falling into a poverty trap by providing equal opportunities for accumulating human capital. In designing SP initiatives, the provincial government will incorporate designs conducive to early investment. An example would be early healthcare and nutrition interventions for infants to avert growth impediments, such as malnutrition, stunting, or wasting, at a later stage. Similarly, investment in early years learning, by instituting pre-school education and conditional cash transfers to promote the enrolment and retention of students from poor households is widely regarded as effective in breaking the cycle of intergenerational poverty.

Inclusion: The SP initiatives will clearly specify target groups, focusing on marginalized people who are typically excluded from public service and various programmes due to their limited access or inherent biases in the design and delivery of the interventions. These groups may include women, the elderly, young children, people with disabilities, informal-sector workers, religious and ethnic minorities, transgender persons, people ordinarily residing in far-flung areas, and members of the lower social classes. While reducing the leakage of resources is important, greater efforts will be made to include and cover as many vulnerable populations as possible within the limited resource constraints. The GBP 36 million FCDO-funded 'Women's Income Growth and Self-reliance Programme' (WINGS), that is due to be rolled out by PSPA in 2021, will constitute a step towards the productive-inclusion of poor women in selected districts of the Punjab. Similarly, PSPA, in partnership with the World Bank, will roll out, in 2021, Punjab Human Capital Investment Project (PHCIP), with an outlay of USD 330 million, which will focus on social inclusion of children and economic inclusion of poor young parents.

Adequacy and Affordability of Benefits: In addition to improving coverage, ensuring the adequacy of the benefits within the budget constraint and the local context is also important. However, the coverage and benefits of a programme under fiscal affordability pose a significant trade-off; for a fixed budget, a greater benefit amount means smaller coverage, and *vice versa*. Therefore, careful assessments of the programme design and the impacts of changing the design features on the coverage, poverty, and fiscal space, among other factors, will be conducted on a regular basis. The inherent tension between adequacy and affordability can, in part, be addressed through the provision of non-monetary benefits of SP interventions. For instance, transformative legal measures (e.g. legislation to protect women and children from violence) or labour regulations for adequate benefits and worker protection (e.g. workplace health and safety measures) can be considered.

Evidence-based Decision-making: Active M&E and evidence-based decision-making will be brought into practice. The Punjab's M&E activities can begin with collecting administrative data on the inputs and outputs of each programme, including the beneficiaries' information, records on payment and service provision, and administrative and operational costs, among others. In the longer term, a strong MIS should be developed to facilitate record-keeping and evidence-based decision-making. PSPA will compile a set of standardized, common indicators, in line with the indicators agreed on the draft National Social Protection Policy Framework, to track its progress towards achieving the goals of social protection. At the same time, the impacts of the existing programmes on the outcomes of the beneficiaries must be assessed. For this purpose, tracer studies and process evaluations, rigorous impact evaluations, and qualitative studies, can be conducted. Representative household surveys such as the Labour Force Survey and Household Income and Expenditure Survey, should be able to inform

the overall performance of the SP system, including the targeting, coverage, and poverty impacts. PSPA and the other social protection agencies should join forces with the surveying authorities to include a dedicated module on SP programmes in their surveys that would facilitate such analysis. Data of SP initiatives at various levels should serve as a basis for determining the priorities of SP policy and programmes.

Citizen Engagement and Reciprocity: Major SP policies and programmes should be communicated and disseminated to all citizens, especially the service providers, beneficiaries, key development partners, and stakeholders. Citizen awareness, mobilization, and information campaigns will be widely utilized to promote citizen engagement. Non-governmental organizations and civil society groups will play a major role in citizen engagement. The Government will leverage the existing voluntary-sector networks, wherever possible, to reduce the costs and increase the effectiveness of its advocacy, awareness, and social mobilization initiatives. Grievance and redress systems will also be incorporated within all SP programmes. The principle of reciprocity will also be emphasized to ensure that as the Government delivers the necessary services and benefits under the SP programmes to its beneficiaries, the recipients also abide by the rules and conditionalities in an attempt to reduce their poverty and vulnerability.

Promoting Self-sufficiency and Sustainable Operations: Successful SP policies and programmes promote self-sufficiency among the beneficiaries, rather than a long-term reliance on the programmes. This contributes to the sustainability of the SP programmes as new beneficiaries can be added as the former graduate. Where feasible, the eligibility rules will promote graduation and exit from each programme. More importantly, measures to help the beneficiaries to graduate out of poverty and marginalization and also escape the intergenerational transmission of poverty will be incorporated into the SP system.

4.3. Components of the Punjab SP policy

This section describes specific SP instruments and programmes that the Government prioritizes. The current SP programmes in the Punjab help households to cope with various risks, including several social assistance programmes and a smaller number of social insurance and labour market instruments (Table 1). However, going forward, SP will contribute to the overall social sector, including health and education, to nurture a comprehensive welfare system in the province. Ensuring access to basic services, such as education, health, water and sanitation, among other factors, is critical for building human capital and reducing poverty and vulnerability. The Government through this policy, is committed to ensuring that no one is left behind in this regard. For instance, the SP programme design incorporates incentives for behavioural changes to enable low-income households to invest in children's human capital by sending children to school and regularly visiting health facilities. At the same time, SP will utilize its policy instruments, such as labour market promotion and intervention, social insurance, and social assistance, to achieve the five objectives described above.

Table 1: Social Protection Instruments and their Application in the Punjab

SP programme classification	Instruments	Examples of the Existing Instruments in the Punjab
Labour market programmes	Labour market policies; ALMPs such as skills development, wage subsidies, job search assistance; social funds; and microfinance	Skills development initiatives including Punjab Skills Development Project, and Punjab Rozgar Scheme
Social insurance	Contributory pensions, health insurance, unemployment insurance; severance; short-term benefits (maternity, sick pay).	Old age pensions for civil servants and formal sector workers
Safety nets/social assistance	Unconditional poverty-targeted cash and in-kind transfers; conditional cash transfers; poverty-targeted family allowances; workfare/public works; targeted housing, utility/food subsidies; disability benefits; non-contributory pensions and social care	About 20 pro-poor programmes by various departments including the disability benefit by PSPA

4.3.1. Employment Creation and Labour Welfare

Promoting employability and labour welfare to enhance the citizens' self-sufficiency through income-generating activities and graduation from poverty and social assistance merits highest priority for social protection in Punjab. Such SP programmes include ALMPs, that support insertion and re-insertion into the labour market and promote better earnings opportunities by upgrading workers' skills and facilitating occupational or geographical mobility; offering microfinance or financial support for business development; introducing labour policies and regulations that require basic job protection for workers and govern employer-employee relations; providing income support for unemployed people through unemployment insurance; and initiating social funds and community development initiatives. ALMPs can serve as graduation programmes that will assist the transition out of poverty and exiting of anti-poverty programmes such as Ehsaas Kafalat programme. As seen above, three groups have been identified as particularly likely to benefit from SP measures that promote employability—the youth, women and migrant workers—as these measures will help them engage in income-generating activities. Keeping ALMPs at the top of social protection agenda aims to ensure that more people become self-reliant in the shortest possible period and graduate out of poverty, thereby lessening the burden of welfare on the state.

Significant investment in this area has already been made, starting from the skills development sector in the province. To transform the youth bulge into a dividend, the provincial government intends to expand its skills development programmes massively, train the youth, and focus on employment generation by reviving employment intensive sectors such as garments. In this regard, the range and scale of trainings being offered by the Technical Education and Vocational Training Authority (TEVTA) as well as the PSDF will be expanded to cover a larger segment of the population. In addition, the skills development sector will be reviewed and restructured to ensure that it better serves its purpose. Scale-up and strengthening of Ilm-o-Hunar Project of Literacy and Non-formal Basic Education Department, which combines non-formal basic education and vocational skills can meet the needs of the most marginalised population that cannot access formal education and/or vocational training opportunities.

The Government will also assess various policy options to address the challenge related to the skills and employability of the youth. First, to promote wage employment, employers' demand and roles will be incorporated into the intervention. In addition to the TVET reform, discussions about non-formal sector training, including on-the-job training through employers, are underway and expected to play a prominent role. Training workers for international migration, particularly to the Gulf States, will be approached in the similar vein. The demand and request from prospective employers will identify the skill gaps on which skills training should be focused to minimize the skills mismatch in the labor market. At the same time, matching and job search assistance for jobs-seekers can be provided so that they may access information about employers and job vacancies. Furthermore, it will be necessary to ensure that the constraints faced by women because of the social norms and mobility constraints are also adequately addressed to encourage their labour force participation.

With respect to self-employment and entrepreneurship, individuals will probably need support not only regarding skills but also regarding access to finance and business development services. Recently, the Punjab Government has launched the Punjab Rozgar Scheme that provides subsidized loans of size up to PKR 10 million to skilled workers and small businesses. This scheme may further be complemented by business training and consultancy.

4.3.2. Social Insurance

The second focus of SP in Punjab will be promoting welfare through social insurance schemes. Given the lack of means for self-insurance amongst the low-income people and under-developed market for insurance in Pakistan, public provisioning of insurance or social insurance assumes pivotal importance for ensuring reliable and sustainable economic protection over the course of lives of the vulnerable people. This will also lessen the burden of their welfare on the state. Social insurance helps households and individuals to hedge various risks along the lifecycle including old age, disability, ill health and unemployment. They are typically financed largely through payroll taxes with contributions from both workers and employers, but social contributions and allocations from the general budget are also used. In the Punjab, like in the rest of Pakistan, social insurance is limited to old age pensions and health care for workers in the formal sector. The expansion of the coverage of social insurance to workers regardless of the sector of employment will be pursued over the next few years. This will be done by establishing the Punjab Social Protection Fund as envisaged in the PSPA Act 2015, which will not only contribute to provincial welfare spending through the proceeds of its endowment fund, but also initiate a contributory pension / insurance programme for informal workers as well as other vulnerable groups.

There are multiple types of old age pensions to be considered in order to expand the coverage and accessibility to pensions to broader populations. Generally, a three-pillar approach is recommended: (i) a non-contributory old age pension for the elderly living in poverty;²⁸ (ii) a voluntary old age pension/saving scheme; and (iii) a mandatory contributory pension, typically for the formal sector, including government officials. International experience shows that some countries have universal social pensions for the elderly but in many cases, where the fiscal space is limited, the social pension targets the elderly living in poverty. The global experience will be carefully examined to develop a comprehensive plan to support the elderly. This plan will be embedded in the local context. To begin with, a non-contributory social pension for the elderly living in poverty can be considered as basic

²⁸ Such non-contributory, poverty targeted social pension is often classified as social assistance rather than social insurance.

income support. PSPA's recently rolled out programme called 'Ba-Himmat Buzurg' is an effort in that direction.²⁹ At the same time, efforts may be made to strengthen the existing pension programmes for formal sector workers by implementing appropriate reforms to ensure the sustainability of funds. Finally, in order to expand the coverage to non-formal sector workers, the Government can consider voluntary old age pension/savings schemes. Given that the low-income families are budget constrained and tend to be less likely to save for pensions, subsidies or matching funds might incentivize the participation of broad populations in pensions. All of these options will be carefully considered in order to develop a comprehensive plan for old age pensions.

Furthermore, a supervisory and regulatory system, as well as an actuarially sound pension design, needs to be established to promote the financial sustainability of the pension fund. The Punjab Pension Fund was established in light of the rapidly increasing pension liabilities in the Punjab, which currently is non-contributory and funded by the provincial budget. However, in light of the slow recapitalization of the Fund, its sustainability is at risk. The Government will make efforts to implement reforms to establish an actuarially sound and fiscally sustainable pension system and strengthen the pension fund management. This would create additional fiscal space to provide other types of old-age support to expand the coverage and accessibility of pensions to broader populations. Similarly, in order to expand the social insurance coverage to non-formal sector workers, the Government will consider voluntary old age pension/savings schemes.

Considering that social insurance, including pensions, involve cross-sector risk-pooling as well as inter-temporal resource allocation, having a large pool of participants can substantially reduce the costs and improve the sustainability of a pension system. In light of this, the Government will explore various options including establishing a pension system beyond the province, preferably at the national level. Apart from the old-age pension, a health insurance programme is another important aspect of social insurance. Recently, universal health insurance has been rolled out, under Sehat Sahulat Program, in seven districts of the Punjab. Till the further expansion of the universal scheme, it should be ensured that the current targeted, fully subsidized health insurance scheme reaches all the poor families in the rest of the districts to protect them against large expenditures on healthcare.

The government will also take necessary steps, including coordination with the federal government, to strengthen the insurance market. This will reduce the financing requirements (increased taxation, etc.) for social insurance and, hence, improve social efficiency.

4.3.3. Social Assistance

Despite government's emphasis on ALMPs and contributory SP, there will be poor and vulnerable people lacking agency to work and support their families. While it is important to encourage people to enter labor market and achieve self-reliance, decommodification carries equal significance in order to protect people that cannot participate in the labor market or cannot achieve self-reliance temporarily or permanently. Such people may include people with disabilities, the elderly, the religious or ethnic minorities, the chronically ill, the transgender persons, widows, orphans and similar marginalized groups. For these groups of people, the government will ensure smart, targeted and

²⁹ Under this programme, females, aged 65 and above, receive quarterly payment of Rs. 6,000. In absence of an eligible female in the family, males above 65 years of age are eligible.

dignified social assistance programmes to keep them from falling into poverty.

Social assistance programmes are non-contributory transfers, targeted at relieving households that face temporary hardship due to some external event or shock, as well as providing assistance (or sometimes a minimum income) to households trapped in chronic poverty. These programmes include poverty-targeted cash or in-kind transfers, either unconditional or conditional (i.e. subject to the recipients' compliance with certain behaviours, usually related to education or health); price subsidies, often for food or energy;³⁰ labour-intensive public works schemes; fee waivers for essential services such as health care, schooling, utilities, or transport; and disaster relief. They are usually funded by the general budget revenues (or off-budget donor-financing).

As discussed above, there are a number of social assistance programmes in the Punjab that are managed by multiple departments/organizations (see PER and PSPA, 2017). These programmes aim to achieve equity and address the high disparity and poverty across households in the Punjab. However, little is known about their coverage, targeting, or impacts. To improve this area, the Government intends to take actions on multiple fronts.

First, the Government recognizes the need to streamline, rationalize and harmonize the existing social assistance programmes in the province. According to the SP programmes inventory maintained by PSPA, 25 provincial departments/organizations are engaged in over 100 programmes that fall under the rubric of social protection. Historically, many of the programmes have been formulated on an *ad hoc* basis, to meet specific needs and hence are small in size, not comprehensive, and often duplicate/overlap. The Government will have a focused agenda that promotes fewer, better-designed interventions at scale, considering the key risks along the lifecycle.

Second, the Government aims to introduce new initiatives where there is a large coverage gap. For instance, the Government, based on the analysis of NSER, has recognized people with disabilities as being one of the most vulnerable populations in the province, who are often excluded from opportunities to engage with income-generating activities and basic social care. As discussed above, cash transfers to people with disabilities whose PMT score was below 20 was introduced by PSPA to provide top-up benefits and complement the federal government's efforts to address extreme poverty. Similarly, in the wake of the COVID-19-induced recession, it was identified that there existed few work-related social protection schemes for informal-sector workers. Therefore, there is a need to address this coverage gap by considering different methods for extending social protection to these workers. The Government will place a particular emphasis on social inclusion so that informal-sector workers and other marginalized groups (e.g. internally displaced persons, persons affected by natural disasters, the victims of violence and human trafficking, women, and religious minorities) can benefit from the SP initiatives and access basic services.

Third, there are also significant opportunities for the re-prioritization of programmes to generate additional fiscal space for new initiatives, especially by moving the focus from untargeted subsidies towards more poverty-targeted transfers. Expenditure on untargeted programmes (e.g., the wheat subsidy) constitutes a large portion of the SP expenditure while being only marginally beneficial to

³⁰ These price subsidies are classified as programmes for improving equity. However, in practice, many untargeted subsidies are regressive because they disproportionately benefit those with the higher purchasing power.

those in greatest need. It is important to move from untargeted to targeted interventions and to methodically identify and prioritize neglected or vulnerable populations.

5. The Way Forward

To ensure that the various instruments achieve the objectives cohesively, focused on the six key challenges, the priorities in the coming three to five years will be to:

- (i) harmonize and streamline the existing social protection programmes;
- (ii) introduce new initiatives where there is a large coverage gap;
- (iii) strengthen the administrative system and linkage with other sectors and initiatives for basic services.
- (iv) formulate a shock responsive SP strategy

5.1 Harmonizing and streamlining the existing programmes

The establishment of the PSPA with the mandate to establish a comprehensive, efficient and effective social protection system was an important first step towards harmonizing and streamlining of the existing programmes. This objective can be achieved by establishing a **robust M&E system** that captures data on the inputs, outputs, beneficiaries, and outcomes of each programme, and also increasing the **coordination among programmes both at the provincial and the federal level**.

The initial activities related to the M&E data construction focus on administrative data but can be expanded to include the beneficiary database and impact evaluations. Based on administrative data provided by various departments that operate SP initiatives, PSPA is leading the efforts to construct an SP programme inventory in Punjab. Once this inventory is finalized, with information on the inputs and outputs of each initiative alongside the size of the budget, objectives, and associated activities, it will be able to provide basic information on the performance of the SP initiatives. This information would facilitate the analysis of the SP initiatives in terms of such parameters as leakage, duplication, efficiency, effectiveness, value for money, etc. The exercise of constructing the inventory is envisaged to be a dynamic and organic process with regular updates on the included information. To this end, PSPA will establish the mechanism and protocols through which each department feeds the necessary information, provides feedback on the analysis of the data from the inventory, and works together to harmonize and streamline the programmes.

Regular data sharing will go a long way towards increasing the coordination among the programmes. To institutionalize such coordination further, PSPA will organise bi-annual meetings of all organizations/departments with SP programmes to share information, exchange experiences, explore complementary opportunities, brainstorm options and create synergies. Various programmes can effectively work together to create an impact which far outweighs the sum total of their individual efforts and interventions.

Furthermore, the beneficiary database, once established, can be linked to the NSER, in coordination with Ehsaas databases and the National Database and Registration Authority (NADRA). In this case, the Punjab Government can rely on poverty score card-based data that are already available at the national level in order to target its schemes and will be able to assess the extent to which the programmes overlap. To this end, efforts to develop a modern MIS and collect relevant beneficiary information would be needed. PSPA is already utilizing NSER for its poverty-targeted social protection

programmes. Such coordination and collaboration as well as data collection will continue as the Punjab strengthens its SP initiatives. However, as NSER is almost 10 years old and the revised poverty scorecard survey is still only 50% complete as of now, NSER needs to be supplemented by other options, such as instituting a provincial socio-economic registry (PSER), using administrative data and on-demand surveys to update and countercheck the socio-economic registries, and adopting alternative targeting approaches wherever feasible (e.g. geographical targeting where spatial differences in poverty and vulnerability exist, as highlighted by recent experiences of COVID-19 and locust attacks and hybrid targeting). A two-way communication between the federal government and the provincial government would need to be strengthened to ensure PSER data feeds into the NSER. The integrity of the PSER data generation process will be very important in this regard.

5.2 Introducing new initiatives

With respect to the options regarding the launch of new initiatives within the next three to five years to fill the coverage gap, the following factors will be prioritized:

5.2.1 Early Childhood Development and Youth Employability

CCT for early childhood development and ALMPs for youth employability will be prioritized, given their strategic importance regarding poverty reduction and growth promotion. PSPA in collaboration with the World Bank, is rolling out a USD 330 million intervention called the Punjab Human Capital Investment to improve human capital outcomes, including CCT for early child development, in 11 poorest districts of the Punjab. PSPA is also collaborating with PSDF and other skills training providers (to promote youth skills and employability) to design implementable initiatives. The best practices for designing and implementing such initiatives have been incorporated based on extensive research using international evidence. In addition, these initiatives will be introduced in the form of pilots so that the design may be further refined and modified to the context of the Punjab prior to scaling up.

Conditional cash transfers for early childhood nutrition and development through growth monitoring and immunization are an excellent approach to reducing the current poverty while simultaneously encouraging positive behavioural changes for long-term development impacts and growth. The efficient design of this CCT and the implementation experience will greatly inform other CCTs in the province, including those that aim to improve education and reduce child and bonded labour (e.g., brick kiln families). Likewise, international evidence on ALMPs for the youth, focusing on employability, suggests considerable heterogeneity within the impacts, depending on the design. With respect to initiatives for promoting wage employment through skills and employability development, the general consensus is that longer term impacts are likely to be greater than short term ones; comprehensive support to address multiple and complex constraints rather than providing a stand-alone intervention will have a stronger impact; socio-emotional skills need to be fostered along with cognitive and technical skills; and employers' involvement in the ALMP design and delivery needs to be promoted. In incorporating these considerations, the gender agenda will be greatly emphasized to promote gender equality and empowerment.

Therefore, PSPA and relevant stakeholders will benefit from pilots geared towards preparing for scaled-up operations. Hands on experience of various aspects of service delivery through these pilots including the targeting, identification, verification, and enrolment of beneficiaries, service delivery and payment, the contracting of the involved entities, compliance and results monitoring, grievance and redressal, and linkages to other initiatives to facilitate graduation, will be very useful for all parties

involved. Establishing a well-functioning MIS will be prioritized during the pilot stage itself. Robust evaluations will help to identify areas for further policy attention while informing the key elements of programme effectiveness.

The two priority areas, health and nutrition sensitive CCTs and ALMPs for youth, partially address the first four challenges discussed above. In the longer term, the Government will investigate options for new initiatives and ALMPs for various other contexts. More efforts will need to be made regarding rural skilling, including upgrades to the agricultural technology and value chain integration along with non-agricultural business development to diversify income sources. Potential key partners including the private sector (e.g. agribusiness firms) and microfinance institutions will need to be identified. At the same time, the other two key challenges- the risks associated with international migration and income insecurity among the elderly and people with disabilities- will also require appropriate interventions. The identification of migration related interventions including institutional support and skills development, will rely on an analysis of the current system and practice regarding international migration. Similarly, a detailed assessment of the current old age support system will precede the identification of policy options and areas for intervention that targets the elderly and differently-abled populations.

5.2.2 The Punjab Ehsaas Programme

The Punjab Ehsaas Programme is designed in line with the Federal Ehsaas Strategy and supplements the federal initiatives under the Ehsaas Programme. It aims to expand human development and social protection in the Punjab drastically so that poverty eradication, the economic empowerment of women, and better health and education outcomes may be achieved. There are multiple initiatives/ sub-programmes within the Punjab Ehsaas Programme. These currently include the Ba-himmat Buzurg Programme (social pension), Hamqadam Programme for Persons with Disabilities (PWDs), Sila-e-Funn Programme for artists, Masawaat Programme for transgender persons, Nayee Zindagi Programme for acid-attacks victims, Sarparast Programme for poor widows and orphans, Khiraj-ush-Shuhada Programme for the survivors of terrorist-attacks victims, Panagah Programme for the homeless, Human Capital Investment Project for early childhood development, the maternal health and economic and social inclusion of adolescents and youth, and Women's Income Growth and Self-reliance (WINGS) Programme for poverty graduation of poor women through building and sustaining productive assets. Some of these programmes have been launched, while the rest of the planned programmes will be launched in the FY 21-22. Later on, new programmes will be conceived and launched under the Punjab Ehsaas Programme.

5.2.3 Social Protection of Laid-off and Informal Workers

A challenge that emerged during the COVID-19 crisis was the lack of any credible data on laid-off workers particularly informal-sector workers. Therefore, it is important to facilitate the registration of labour and establish a repository of workers in Punjab that can help the government to reach out to informal-sector and daily-wage workers in future. To rehabilitate these workers, the available social protection best practices will be explored including the possibility of a job centre, an employment guarantee scheme through public works, a wage subsidy scheme to share some of the burden of micro businesses and a scheme to encourage self-employment through the provision of easy or free credit and appropriate social protection schemes will be launched. All of these initiatives will be run in

collaboration with the relevant departments and agencies of the provincial government, primarily Labour and Human Resource Department.

5.3 Strengthening the SP administrative system

A key priority will be to strengthen the entire system and linkage with other sectors and initiatives using an evidence-based approach with a holistic perspective. The major elements of this effort will be a **strong administrative platform**, which will also contribute toward a robust M&E system. Poverty targeting and the accurate identification and verification of eligible beneficiaries often require a single registry along with an identification system. To promote accountable efficient service delivery and payment, the Government needs to develop mechanisms for citizen engagement and information, a grievance and redressal system, monitoring through third party verification, and direct payments, using efficient transaction instruments, among other factors. Finally, it is essential to track beneficiaries from the start and facilitate their graduation by linking them to other relevant initiatives.

Fortunately, the Punjab faces a relatively favourable SP environment on many fronts. A nationwide single registry and ID systems are already in place through the activities of Poverty Alleviation and Social Safety Division of the federal government and NADRA. A wealth of knowledge and experience has been accumulated for the payment mechanisms under BISP/Ehsaas Kafalat programme and PSPA's cash transfer programmes. Ehsaas's MIS and M&E experience can also be benchmarked in the province. The provincial-level grievance and redressal system is also underway, led by PSPA.

Utilizing such conducive environments, the linkage between programmes across different sectors and between the federal and provincial initiatives will be further strengthened, and common infrastructure and administrative platforms will be greatly utilized.

For long-term sustainable social protection in Punjab and to pave the way for a contributory insurance scheme for informal sector workers, **establishing a Social Protection Fund for the Punjab** as envisaged within the Punjab Social Protection Authority Act 2015 will also be a priority post-COVID-19. In the mid-term, it might be possible to initiate a contributory scheme for informal workers for old-age benefits, unemployment benefits, etc., whereas, in the long-term, the government needs to explore options for an add-on voluntary system of social protection, whereby all poor and vulnerable people can make contributions in return for enhanced coverage and an improved rate of benefit for future cash transfer programmes in the event of crises.

In line with the principle of citizen engagement, PSPA will develop a communication strategy for multiple stakeholders especially potential beneficiaries as these people often do not know about the programmes and their details. Increased citizen awareness will reduce grievances and facilitate social mobilization paving the way for better uptake of services, citizen reciprocity and effectiveness of social protection interventions.

Moreover, the partnerships with private and civil society organizations will also need to be promoted in the SP domain. These actors, such as non-governmental organizations (NGOs), financial sector institutions (banks, microfinance institutions, insurance companies, etc.) and training service providers, are already well embedded in the communities and play a crucial role in service delivery.

The presence of networks of both international and national organizations and their involvement in various sectors and aspects of service delivery has also been integral within citizen engagement, especially for remote areas and marginalized communities. Thus, the Government will continue to seek contributions from international and national civil society organizations as well as the private sector.

5.4 Shock Responsive SP Strategy (Provincial & Local Governments)

During the COVID-19 crisis, it has been observed that there existed little common understanding among the provincial departments regarding how to respond to the crisis in an integrated manner. This necessitates a strategy for interagency coordination among various departments in times of crisis. The Punjab government accordingly agreed that there is a need to have a Shock Responsive Social Protection Strategy in place, which contains standing SOPs on multi-sectoral coordination between provincial departments as well as local governments in any future time of crisis and disaster. Once a strategy is in place, there will be the need to build the capability of the identified partners to discharge their functions according to this strategy.

The Shock Responsive SP Strategy would need to be built within a risk management framework. As often it is too late to adequately cope with a shock after the shock has struck, the government needs to emphasize risk reduction and risk mitigation as key risk management strategies rather than risk coping. Encouragement of risk reduction practices particularly with regard to environment and sustainable use of natural resources would be an important aspect of government's risk management plans. One key group in this regard is of rural poor whose livelihoods are often connected with land, forest, and fisheries, etc. and engaging them in environment-friendly practices can help improve the environment as well as their own resilience to environmental shocks.

Social protection interventions aiming at adequate access to essential social services (such as education, health, water supply and sanitation, housing, population welfare, etc.) during the time of shock would also be a critical feature of the government's shock response.

6. Conclusion

The Punjab SP Policy represents the Government's renewed commitment to reform, streamline, and broaden the SP regime in Punjab. It harnesses the positive momentum in the evolving policy environment post the 18th Amendment, seeking to eliminate extreme forms of poverty and deprivation and reduce vulnerability and marginalization. The five overarching, inter-related objectives of the SP policy - equity, resilience, opportunity, gender equality, and social cohesion - are clearly described and acknowledged in the document. These objectives can be best achieved by specifically addressing the key six challenges in the province, and thus the policy prioritizes the addressing of the needs of: (i) individuals living in poverty who are vulnerable by being mindful of the various disparities existing across different populations; (ii) young children in terms of their health and nutritional outcomes; (iii) youths regarding their employability to enable them to access income-generating activities; (iv) women in terms of reducing the gender gap in the labour market; (v) migrant workers who take risks and seek overseas employment; and (vi) the elderly and people with disabilities with regard to their access to basic care and income support.

Furthermore, the SP policy emphasizes the use of diverse policy instruments including social assistance, social insurance, and ALMPs, while strengthening the overall SP systems. Going forward, the Government will focus on four actionable plans: (i) harmonizing and streamlining the existing social protection programmes, (ii) introducing new initiatives where there exists limited coverage, (iii) strengthening the entire SP administrative system and linkages with other sectors and initiatives for basic services, and iv) formulating a shock responsive SP strategy.

While this policy sets the course and provides a strategic direction and actionable plans, its effectiveness in terms of achieving the desired goals and objectives will depend on how it is operationalized. Continued support, oversight, and follow-up at the highest level should follow to ensure that the policy is implemented as envisioned. The policy will be periodically reassessed to reflect the Government's response to emerging situations, changing environments, technological advances, and/or opportunities for regional and international collaboration. Thus, as a living document, the Government will review the SP policy periodically and update it as appropriate, following a similarly consultative and thorough process as its development.

Appendix A

Constitutional provisions on state's responsibility regarding social protection

1. The Preamble to the Constitution guarantees 'social justice' for all without discrimination.
2. Article 2A states some of the obligation of the State for its citizens
3. Article 11(2) prohibits forced labour
4. Article 11(3) prohibits hazardous child labour
5. Article 25A provides right of free and compulsory education for all children of 5-16 years
6. Article 34 allows equal opportunities to women
7. Article 36 is for protecting the rights of minorities
8. Article 37 is on protecting the interests of backward classes or areas and on broader social protection
9. Article 38 refers to the promotion of social and economic wellbeing

Appendix B

Summary of Pakistan's obligations under international conventions and agreements

Pakistan is signatory to a number of international agreements and conventions. Some of these are listed below. Federal and provincial governments are committed to fulfilling these international obligations:

1. The Universal Declaration of Human Rights
2. The Millennium Development Goals
3. Sustainable Development Goals
4. Conventions of ILO relating to labour welfare, including eight fundamental conventions
5. Hyogo Framework for Action
6. International Health Regulation 2005
7. The SAARC Social Charter
8. UN Convention on the rights of the Child
9. UN Convention on the rights of persons with disabilities
10. The Convention on the Elimination of All Forms of Discrimination against Women

Appendix C

List of Punjab Government Departments/Organizations engaged in Social Protection

1. Punjab Social Protection Authority
2. Planning and Development Department
3. Social Welfare Department
4. Population Welfare Department
5. Zakat and Ushr Department
6. Food Department
7. Education Department (Schools)
8. Higher Education Department
9. Special Education Department
10. Literacy & Non Formal Basic Education Department
11. Primary and Secondary Healthcare Department
12. Specialised Healthcare and Medical Education Department
13. Women Development Department
14. Labour and Human Resource Department
 - a. Punjab Workers Welfare Board
 - b. Punjab Employees' Social Security Institution
 - c. Minimum Wages Board
15. Technical Education and Vocational Training Authority
16. Punjab Skills Development Programme
17. Punjab Vocational Training Council
18. Punjab Education Foundation
19. Punjab Education Endowment Fund
20. Punjab Disaster Management Authority
21. Home Department
22. Transport Department

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