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**INTEGRATED SOCIAL PROTECTION SYSTEM**

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**A SYSTEMS APPROACH FOR DISASTER PREPAREDNESS AND RESPONSE**



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PUNJAB SOCIAL PROTECTION AUTHORITY

## About This Document

Social protection assumed paramount importance in the wake of COVID-19 pandemic. The Government of Pakistan and the Government of the Punjab were able to provide much-needed relief to millions of households. However, during the deliberations held on social protection, it became evident that an integrated social protection system was lacking which undermined the efficiency and effectiveness of social protection measures. This document is an effort to illuminate the path towards the development of an integrated social protection system that is shock-responsive as well and can cater to the needs arising in case of natural or man-made disasters.

A social protection system is very different from a set of disparate social protection programmes which are aplenty in Pakistan and which cannot be clumped together to form a social protection system nor they can yield the desired results. Social protection being a cross-sectoral subject requires the entire government machinery to be run with a purpose and an objective. This paper argues for such governance reforms supported by a robust regulatory system which would fulfil that objective. These reforms range from labor and shop registration to interoperability frameworks to ensure data efficiency. The paper also provides some key recommendations on how to move forward towards building a social protection system in light of the COVID-19 pandemic for which most governments found themselves unprepared. With the help of the proposed system in place, the government will be able to better manage risk prevention, risk reduction and risk mitigation.

The assistance provided during the pandemic mostly relied on National Socio-Economic Registry (NSER). However, the response left much to be desired on account of the NSER providing only a limited and static picture of the poverty a family faced. This paper argues for dynamic registry making use of multiple data points which would not only enrich the data but would also allow for far more efficient programmes than are being implemented at present. This would improve targeting not only for individual /households but for communities as well by making use of aggregated data.

The development of an integrated social protection system would require concerted efforts by various Government of the Punjab's departments and organization as well as by international development organizations. It is hoped that the organizations such as the DFID, ILO, UNICEF, USAID and the World Bank, etc. will come up with their proposals on how to make the system a reality.

This document has been prepared by Waqar Azim (Director Programs/Deputy CEO, PSPA) with the assistance of Muhammad Kashif Saeed (General Manager Policy, PSPA). It is a working document (an earlier draft of which has been shared with the key stakeholders) and is open for comments. All suggestions may be sent to [director.programs@pspa.punjab.gov.pk](mailto:director.programs@pspa.punjab.gov.pk) or [gm.sp@pspa.punjab.gov.pk](mailto:gm.sp@pspa.punjab.gov.pk).

## 1. Introduction

According to Sabates-Wheeler and Devereux, “Social protection describes all initiatives that transfer income or assets to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalized; with the overall objectives of extending the benefits of economic growth and reducing the economic or social vulnerability of poor, vulnerable and marginalized groups”<sup>1</sup>.

Though social protection schemes are not new in Pakistan, they have taken a big stride since 18<sup>th</sup> amendment (that made social protection primarily a provincial responsibility) and 7<sup>th</sup> National Finance Commission Award (that increased fiscal space for the provinces). However, due to uncoordinated efforts, a proliferation of social protection schemes has resulted. An exercise by Punjab Social Protection Authority reveals that there are more than 100 social protection schemes being run in the Punjab by around 25 provincial departments. A lack of coordination in these schemes points out to potential inefficiencies and wastage of resources.

The world is currently battling the COVID-19 pandemic. During such disasters, the need for efficiency, quick response and effective outreach to the poor and the vulnerable becomes starker.

This paper introduces systems approach, delineates how that approach can be adopted in the context of COVID-19 and presents a future plan for PSPA.

## 2. Systems Approach to Social Protection and Integration of Social Protection Efforts

The term social protection system usually refers to a framework whereby the three pillars of social protection – social assistance, social insurance and labour market programmes – are integrated or, at a minimum, coordinated. Social Protection is a cross cutting theme and various social protection Programs are planned, designed and executed in various administrative domains i.e. various departments/organizations, integration can occur across pillars. Integration usually involves creating links among various programmes within each pillar of the social protection system, for example, combining various food security transfers, cash transfers, in-kind disaster response within social assistance pillar<sup>2</sup>.

Integration can also occur across pillars. At administrative level, various social protection schemes can share data and monitoring systems, which will ideally be linked to other civilian registries. As a matter of fact at operational level, social protection schemes often share enrolment and delivery systems, while at an institutional level, a single institution might be empowered to co-ordinate social protection activities across sectors and ministries<sup>3</sup>.

Globally, a number of countries are attempting to weave individual social protection schemes into comprehensive and coherent systems. This approach is in line with Sustainable Development Goals Target 1.3: “implement nationally appropriate social protection systems and measures for all”. The systems-building process usually begins with formulating a social protection policy,

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<sup>1</sup> Sabates-Wheeler, R. & Devereux, S. (2008). Transformative social protection: The currency of social justice. In A. Barrientos, & D. Hulme (Eds.) *Social Protection for the Poor and Poorest: Concepts, Policies and Politics* (pp 64-84). London: Palgrave Macmillan UK.

<sup>2</sup> <https://www.oecd-ilibrary.org/docserver/9789264310070-en.pdf?expires=1586089857&id=id&accname=guest&checksum=56EDAC78C62DF1FFEAE8DAFC1EBD95A6>

<sup>3</sup> ibid

which lays out a vision for integrating various schemes and achieving better coverage. As of 2015, 77 developing countries had a social protection policy or strategy in place, while 31 countries were planning or formulating one<sup>4</sup>.

Punjab Social Protection Authority has also drafted Punjab Social Protection Policy. The policy also specifies key principles that shall be followed while designing and implementing social protection programs for achieving the strategic objectives. One of these principles is adopting the systems approach wherein efforts will be made to improve integration and harmonization of fragmented programs to achieve the objectives of social protection.

### **Why Integrated social protection system?**

The benefits of an integrated social protection system are manifold. It facilitates provision of a social protection floor, whereby individuals are appropriately protected throughout the lifecycle. This is achieved not only by ensuring a sufficient range of programmes to cover a population's risk profile but also by sharing information on individuals to ensure they are linked to appropriate programmes. Systems also minimize costs, both from the government side (by sharing infrastructure and achieving economies of scale) and at an individual level (by reducing the transaction costs associated with applying for various social protection programmes)<sup>5</sup>.

One of the major challenges in social protection is integrating diverse initiatives into genuine systems with the capacity to coordinate programmes with the State institutions responsible for their design, financing, implementation, regulation, monitoring and evaluation, with the aim of raising the population's living standards.

To adequately supply benefits, social protection policies and programmes need to be coordinated among the different social policy sectors —social development, health, education, labour among others— and between the different administrative levels at which these policies and programmes are implemented. On the demand side, social protection systems should seek to address the different needs among the population, in terms of both the individual and family life cycles and the social group to which they belong<sup>6</sup>. This depends on factors such as income level, type of labour-market participation, area of residence or ethnic group, among others<sup>7</sup>.

A robust integrated social protection system will move the state progressively towards the actualization of social welfare for all. It will be based on following principles<sup>8</sup>:

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<sup>4</sup> Honorati, M., U. Gentilini and R. Yemtsov (2015), *The State of Social Safety Nets 2015*, World Bank, Washington, DC, <https://elibrary.worldbank.org/doi/book/10.1596/978-1-4648-0543-1>

<sup>5</sup> <https://www.oecd-ilibrary.org/docserver/9789264310070-en.pdf?expires=1586089857&id=id&accname=guest&checksum=56EDAC78C62DF1FFEAE8DAFC1EBD95A6>

<sup>6</sup> <https://socialprotection-humanrights.org/key-issues/social-protection-systems/>

<sup>7</sup> Cecchini, Simone and Rodrigo Martínez (2011), *Inclusive Social Protection in Latin America: A comprehensive, rights-based approach*, ECLAC Books, No. 111 (LC/G.2488-P), Santiago, Economic Commission for Latin America and the Caribbean (ECLAC).

<sup>8</sup> <https://socialprotection-humanrights.org/key-issues/social-protection-systems/social-protection-systems-and-social-protection-floors/>

- **Coherence and coordination;** is the key to effective & robust ISP System. It helps various stakeholders to gel in & work as team to attaining the common objectives set forth by the state/government.
- **Participatory management;** Social Protection system evolved through participatory management provides excellent opportunity to obtain and consolidate expertise of various domain experts running social protection programs in various thematic areas i.e. social assistance. Social care, social insurance and ALMPs
- **Solidarity/consolidation in financing;** Having an integrated social protection system can really help to make evidence based decisions with regard to adequate and smart allocation of financial resources
- **Ease of Implementation:** Evolved through participatory approach, social protection system will have clear and viable implementation strategy to achieve desired objectives.
- **Transparency and accountability:** is also an important pillar of an effective and robust & integrated Social Protection System. It provides an effective mechanism to reach out to the intended vulnerable group for disbursement desired benefit in a transparent manner. Besides, roles and responsibilities of various stakeholders are clearly spelt out to set up effective accountability system for the delinquents.
- **Financial sustainability:** The integrated social protection system should be financially sustainable and provides for the measures/methods/channels to fund the various social protection programs to be implemented under its umbrella.
- **Regular monitoring and evaluation.** Last but not the least, an integrated social protection system must have mechanisms for regular monitoring & evaluation for gauging the effectiveness of social protection Programs through regular monitoring & evaluations. It provides evidence for redirecting the resources to effective programs and prudent decision making for winding up the ineffective programs. Besides the lessons learnt, become basis of starting new programs with same or different target groups in respective social protection thematic areas.

### 3. Essentials of Integrated Social Protection System

Following are some of the prerequisites of building an integrated social protection system:

- I. Databases:
  - a) National Socio Economic Registry (Dynamic)
  - b) Single Beneficiary Registry
  - c) Digital databases of all the government departments/ organization/ authorities/corporations involved in various services including social protection and social welfare and essential services and other registries including local bodies etc.
  - d) Access to databases of NGOs, NPOs and MFIs for interoperable purposes.
  - e) Interoperability of various databases of all socio-economic sectors.
  - f) Individual's socio-economic profiling of citizens based on various interoperable databases of various sectors
- II. Local/Split Registries
- III. Vulnerability Index

- IV. Common, Reliable, Transparent, Effective and Swift Financial Disbursement Instrument/Mechanism
- V. One Window Service (OWS)
- VI. Robust Monitoring & Evaluation (M&E) System
- VII. Robust regulatory framework of sectors especially involved in protection of human rights, human capital building and essential services.
- VIII. Active collaboration with NGOs, NPOs and MFIs.
- IX. Adopting alternative targeting approaches

How these essentials individually work and group together to serve as an effective integrated social protection system is explained as under:

### **3.1. Databases**

#### **a) National Socio Economic (Dynamic) Registry**

Pakistan has in place a National Socio Economic Registry (NSER) set up in 2010-2011 through Poverty Score Card (PSC) survey covering approximately 87% of total population or 27 million households<sup>9</sup>. The PSC survey included information on household and individual characteristics, such as the number of household members and dependents; their educational level; ownership of durable goods; housing characteristics; and ownership of productive assets, especially land holdings, livestock, and farm equipment, etc. This method of assessing the welfare status of households, known as the Proxy Means Test (PMT), is widely used by safety net programmes globally to target their beneficiaries.

This registry provides an excellent platform for targeting the poor and vulnerable on scientific basis uniformly throughout the country. However, the registry has certain limitations. The only mechanism to make the registry dynamic is to repeat the survey after a reasonable period of time. The NSER is almost 10 years old now and its update (being carried out through another PSC survey) is reportedly finalized up to only 25 percent of the potential households. This delay has posed a great challenge to targeting efficiency and effectiveness of BISP and other NSER-based programmes. As the PSC survey entails huge cost both in terms of time and financial resources, an alternate mechanism needs to be put in place which can keep NSER on auto update on certain fields/indicators in conformity with the PSC survey questionnaire. It may be called NSER Plus Model. It will utilize various interoperable databases of various sectors and help in making individual's socio-economic profiling of citizens for effective and efficient targeting of vulnerable groups both for social protection programs as well as for disaster risk management. There are number of ways for achieving NSER Plus model. A few options are given as follows:

First, Government of the Punjab has to have a facility of cross matching data through API with:

- NADRA for CNIC, FRC, BRC, B Forms, Juvenile Card, Death Certificate
- PTA (Active cell phone number),
- FIA (Passport Services)
- Telcos for billing (both pre & postpaid) services.

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<sup>9</sup> <https://bisp.gov.pk/nser/#nser-bdba-99ef>

- Electricity companies for electricity consumption
- Federal Arms License
- With Banks & MFIs for details of accounts/credit cards (mainly for the beneficiaries of various social protection programs)
- Excise and Taxation Department (for motor vehicle registration)

By the time these arrangements are settled with federal/relevant organizations, services provided by PITB through *e-Khidmat* Centers may be attached to the NSER data available with PSPA. Although limited in number but it will start updating the registry to the extent of services related to Land Record (issuance of fard), Marital Status, CNIC, BRC, Death Certificate, Driving License, Passport, Domicile, and Family Registration Certificate, etc.

Second, non-government organizations funded by provincial government may be required to maintain data on prescribed format giving details of beneficiary family with regard to indicators, as far as possible, used in the formulation of NSER/vulnerability index, etc. These include rural support programmes (RSPs), Akhuwat, and NGOs for various programmes in the field of community-based development, human capital development, gender empowerment, economic inclusion, etc. Further, these organizations may also be asked to maintain and furnish data on certain other household demographic, socio-economic and geographic indicators e.g. marital status, employment status, nature of household, number of family members, idiosyncratic shock faced (illness, unemployment, death of bread winner, etc.) for not only updating the NSER and personal profiling but also for planning and designing new interventions for such vulnerable groups. The same information may also be used for covariate shock in a particular area for shock-responsive social protection. RSPs and other community-based development organizations need to have interoperable databases for real-time information sharing.

Third, PSPA needs to obtain data collected by various provincial bodies such as Urban Unit, particularly the satellite-based data with Urban Unit that could be very useful for spatial identification of poverty and vulnerabilities. Data used in Punjab Spatial Strategy 2047, if made available to PSPA, could be used for personal profiling of the potential target groups and formulating a spatial poverty reduction strategy focusing e.g. on urban slums, disaster prone areas, and lockdown situation, etc.

All above information will be populated against the individual in basic NSER as personal socio-economic profile and can be used for targeting and research, and evidence-based decision making.

#### **b) Single Beneficiary Registry (SBR)**

SBR refers to an integrated database of all beneficiaries of multiple social protection programs being run in a certain area (country, province, etc.). When made for Punjab, this SBR will help PSPA to identify the duplication of benefits concentrated into a single household/family or individual and make judicious redistribution of resources. The same will also contribute in preparing the socio-economic profiling of the individuals with regard to benefits being received from the state and auto updating of the NSER/PMT score. It requires all departments/authorities/organizations/corporations working in Punjab Government or implementing Punjab Government funded social protection Programs/projects to maintain digital

database of their respective beneficiaries with requisite fields prescribed by PSPA. All these databases have to be interoperable so that the information in these databases could be transferred to PSPA through an API on real-time basis.

### **3.2. Local/Split Registries**

The availability of micro level/personal data of the most vulnerable and marginalized, particularly labor from the informal sector has come as one of the major challenges in the wake of COVID-19 crisis. Covid-19 has caused recession in Pakistan rendering a huge number of people (employees & self-employed) unemployed in both formal and informal sectors but the data for the laid off workers/unemployed people is not available, particularly for informal labor hampering the efforts to reach out to them for disbursement of cash assistance. Due to weak regulatory regime, Labor Department/PESSI or Industries Department have not been able to establish any such database of formal labor laid off due to Covid-19 consequences. To reach out to informal workers is even more difficult. One of the solutions for the purpose is formalization of informal economy which is immensely challenging. This objective can, however, be achieved gradually by creating local registries on the basis of vulnerability indexing and labor profiles and ultimately contributing to NSER Plus through personal profiling as stated earlier.

Profiling on the basis of the labor will assist the Government to come up with a database of various categories of workers falling in both formal/informal sectors and come up with social protection interventions as and when needed. A few options for the Government for different types of labor are discussed below.

#### **a. Labor Employed in Registered Industries/Services Sectors/Organizations etc.**

Employers in the formal sector tend to show under-employment to save contributions to be paid for short term/ long term benefits of the employees. This incomplete data of the labor does not only create considerable loss to the Government on account of taxes/duties but also hampers the efforts to plan and design evidence-based risk mitigation/transfer schemes for the people when they suffer any idiosyncratic or covariate shock. Furthermore, registration of employees with institutions like PESSI and EOBI can also relieve the government of the huge financial burden to provide for social insurance benefits based on contributions by employers.

The issue can be resolved by taking strong and appropriate regulatory measures for registration of labor so that accurate registry of such formal workers is prepared and maintained. If not possible, then following mechanism may be adopted:

#### Insurance Sector Development:

Government can create enabling environment by providing opportunity for these employees to get registered with institutions like EOBI on individual basis by paying the requisite contributions by making amendment in rules/laws, if required. This will enable government to obtain the data from EOBI along with the details of employee's bank account where salary is being transferred and can pursue with employer to pay contributions of the employees due on them (employers) as per law.



Insurance regime may be established by inviting insurance companies to offer various packages for small contributions. Possibility of public-private partnership may also be explored for registered formal labor.

Government may launch a digital forum where laid off workers with their skill set and employment history can be registered to keep a repository of such cases. The data will help to plan and design (if possible) unemployment allowance schemes/public works programs for certain target groups. Intermediary forums (e.g. job plus in UK) to help connect employers and employees may be established to make good use of the data for reemployment purposes. The same can also be shared with NGOs/NPOs or philanthropists working in employment/ALMPs sector.

### **b. Self-Employed (Shopkeepers)**

Shops of all categories<sup>10</sup> need to be registered and a unique ID be allotted to the entrepreneur keeping data of essential particulars to make a registry for each trade. The same can be done through promulgation of new laws (if needed) to be implemented at Local Bodies level/Municipal Committee/Town Committee/ or any relevant level. In case the law exists (as it used to be), implementation of the law must be ensured in a prudent manner without creating much chaos or fiasco. For registration both virtual and physical centers/counters can be provided as per requirements. Citizen Facilitation Centers of PITB, offices of Local Government/Labor/Industries/Social Welfare Department(s) can be used for registration purposes. In rural areas, such registration may also be done with the help of development organizations (RSPs, Akhuwat, and PPAF, etc.). MFIs/other organizations extending micro financing facility might already have such information and can easily get the registration done with concerned government body. NGOs/NPOs registered with Social Welfare Department working on livelihood and community-based development may also be taken into loop. An online registration facility that can create instant registration ID may also be used. The shopkeeper may display it at easily-visible point.

Given the complexities in the abovementioned proposals, as a convenient first step, a free-of-cost self-reporting mechanism (online or through text message) may be introduced for collection of labor profiling indicators e.g. employed/unemployed/trade/working/not working etc. This information may be updated every three months from the public and made part of personal profiling in NSER.

Additionally, the facility of pension schemes may also be extended to all and sundry subject to regular depositing of prescribed contributions as discussed for formal labor above.

### **c. Daily Wagers**

Daily wagers constitute major part of the labor force especially in urban areas. This force consists of both skilled, semi-skilled and unskilled labor who normally come out and wait at main public

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<sup>10</sup> These might include karyana stores, small retailers, tailors, photo copiers, dairy products, bakers & confectioners, roadside restaurants, shops for meat/poultry/ vegetable, flowers, roadside repair shops, barber shops, and auto workshops, etc.

commutation points of big cities/towns for being picked up for work. Many of them come from far flung areas in search of work. For registration of this labor force government may set up booths at these points in collaboration with NGOs/NPOs working in labor market sector. Besides registration, these booths may also serve as job mediator between employer and labor by capturing demand through online process like job plus centers in UK. This can also help maintain data of employed days of particular person and can rotate the work to unemployed person also thus serving as kind of employment guarantee scheme. This data will also be populated against NSER person profiling.

#### **d. Labor of Government Funded ADP Projects**

ADP of Punjab is mostly dominated by labor intensive construction projects all over the Punjab. Government may, by issuing guidelines, require all contractors to keep database of all employees/labor in prescribed format. This information must be shareable with PSPA for updating the personal profiles in NSER on real-time basis. Government may also issue instructions of paying salary/wages through bank/digital process in the account of employee for keeping record/track transaction promoting digital cash and electronic banking. This process will increase the access of considerable number of labor to digital services including provision of CNIC and also formalize the labor which otherwise is a huge challenge for the government.

#### **e. Domestic workers**

For domestic workers, it must be made legally binding on the head of the household to give details of domestic worker(s) child/juvenile/adult working fulltime or part-time. As far as possible, payment of wage must be made through digital banking or branchless banking process to promote digital banking among the masses. Head of the family will also be responsible for registration of respective workers with NADRA for Child/Juvenile/CNI card, as the case may be.

#### **f. Homebased workers**

Labor department may also devise and negotiate strategy for registration of homebased workers for their inclusion in formal economy and thus enabling them to be benefitted by the various social safety net schemes of the government.

#### **g. Public-sector workers**

Punjab Government must have complete updated registry of employees of government/semi-government/authorities/corporation for targeting or inclusion/exclusion process. These employees include regular, contractual, daily wagers, and contingent staff being paid from government exchequer. By no means should salary or wages be paid in cash, rather the salary/wage has to be transferred in the employee's account. This registry has to be connected through an API to personal profiling in NSER available with PSPA.

## **h. Workers at auto workshops and other businesses**

Similarly, Labor Department may collect information of all workers/labor working at auto workshops at least in the major cities and towns of Punjab. This information may be collected through their union/association representative digitally or they may be required to update the information on quarterly basis through an online form. Furthermore, employers in the workshop will also be responsible for registration of the juvenile as well as adult workers with NADRA.

Similar directions/guidelines may also be issued to fuel station/restaurants/marriage hall/marquee/owners for feeding information of their labor in online system and payment of wages to be made digitally for keeping transaction record. Hotel industry may also be included in the same regulatory framework.

Availability of databases on these lines can serve as disaster preparedness and help target & identify the most affected of the shock to start the relief work immediately.

### **3.3. Vulnerability Index**

A person is vulnerable to certain risk/hazard if he does not have the resilience/ means of coping up with the consequences of that risk/hazard. Formulation of vulnerability index may help PSPA to come up with the shock-specific responsive strategy for one or more target groups both in case of idiosyncratic and covariate shocks. Identification of vulnerability is to be followed by identification of potential target group and targeting methodology. Targeting in covariate shocks is comparatively easier than idiosyncratic shock as the neighborhood/large-scale shock (flood, drought, earthquake, pandemic/epidemic, and landslides, etc.) is easier to determine and verify in general than idiosyncratic shocks (illness, unemployment, and death of bread winner of a family, etc.).

### **3.4. Common, Reliable, Transparent, Effective and Swift Financial Disbursement Instrument/Mechanism**

Availability of robust financial disbursement instrument/mechanism plays a pivotal part in making short, medium & long term social protection programs a success during peace time. The need of such mechanism grows manifold during disaster risk mitigation, disaster preparedness and disaster response stages. At times, whole disaster/shock response strategy revolves around it. Currently, PSPA has the capacity to distribute cash digitally to desired target groups using biometric verification from approximately 30,000 branchless banking/cash outlets through BoP.

### **3.5. One Window Service (OWS)**

OWS is one platform available for provision of services related to various social protection program stages such as identification, eligibility, registration, referrals and disbursement, etc. The range of services (length and breadth) may vary depending upon the nature and contours of an social protection program. All departments/organization/authorities/corporations involved in social protection and social safety nets provision are required to have digital database and efficient

SOPs relating to different stages of respective program cycle as mentioned above. The social protection providing entities will have to establish a comprehensive and effective backend set up to respond to any application from the time of receipt of application till its final disposal. PSPA will support these departments to formulate such SOPs and backend systems after need assessment on their request. PSPA has already established 2 OWS counters in collaboration with GIZ in Citizen Facilitation Centers of PITB at Sargodha and Bahawalpur.

### **3.6. Robust Monitoring & Evaluation (M&E) System**

One of the major traits of the effective, efficient and successful integrated social protection system is a robust M&E system. Rigorous M&E system helps organization to:

- a. Improve program performance by taking evidence based and informed decisions through accurate reporting
- b. Enhance organizational learning and knowledge base by sharing experiences and learning lessons about what and how to do in a successful manner.
- c. Assure that activities are done in accordance with the established standards and accountability is ensured.
- d. Seek feedback of the stakeholders including beneficiaries on various components such as input, methodology, coverage, adequacy, effectiveness and efficiency of the program<sup>11</sup>.

A robust M&E System will help PSPA to achieve its following mandated objectives as per PSPA Act, 2015:

- a. to conduct research and formulate proposals for new interventions into the existing social protection programs and execute the same;
- b. to prepare strategic reports that set out policies over a specified period to meet the targets for social protection;
- c. to compile a set of common indicators which show how progress towards the goals of social protection is achieved;
- d. to monitor existing social protection programs and recommend to the Government their reorganization, consolidation or amalgamation with other social protection programs in the interest of efficiency and utility.

PSPA needs to review all the programs being run in all thematic social protection areas i.e. Social Assistance, Social Care, Social Insurance, Active Labor Market Programs (ALMPs) by around 25 various departments/organizations of Punjab Government. A draft review for Guzara Allowance implemented by Zakat Department has already been prepared. This review is to be done with regard to efficiency/effectiveness of targeting, coverage, inclusiveness, reaching out mechanism, roll-out plan and attainment of intended objectives. PSPA will also advice about the aptness of administrative control as similar nature of programs are being run by various departments/organizations irrespective of their mandated assignment or domain of expertise.

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<sup>11</sup> <https://www.ifrc.org/Global/Publications/monitoring/IFRC-ME-Guide-8-2011.pdf>

### **3.7. Robust regulatory framework of sectors especially involved in protection of human rights, human capital building and essential services**

No matter how state of the art social protection system we design and have robust mechanism for collection of data, it will not work without putting a vigorous regulatory regime in place that compliments the social protection interventions. PSPA or any other social protection agency can't deliver in isolation unless minimum service delivery standards are achieved in overall larger working environment. For example, if enforcement of laws related to child labor is good, the need for giving cash transfers as incentive to move away from child labor might not be needed. Or, if service standards in schools are high, the parents will have increasing willingness to send their children to schools even without conditional cash transfers. Therefore, it is imperative to enforce the regulatory measures already provided or legislate new measures under transformative social protection.

### **3.8. Active collaboration with NGOs, NPOs and MFIs**

Many development organizations such as RSPs, Akhuwat, Kashaf, etc. are working on the grass-root level and have outreach in the community. These organizations, particularly MFIs, would most likely have data regarding skills, business activities, financial status, loan history, etc. Active collaboration with these organizations in terms of socio-economic data of individuals and their families, outreach in the community, community awareness of and feedback on social protection programmes would help government's social protection initiatives.

### **3.9. Adopting alternative targeting approaches**

An alternate approach for NSER- and NSER Plus-based targeting is to invite the applications from the poor and vulnerable digitally and get them validated through community-based assessment as has been done in Ehsaas Emergency Cash Transfer program. It is, however, important to mention here that this process involves a great deal of efforts from District Administration/Zakat Committees/Implementing partner(s), if any. It is important to mention here that this approach may not conform fully to the PMT methodology and can have selection biases or local or political influence as well. All this needs periodic updating of the information after a prescribed period which can become a challenge.

Means-testing through electricity bills may also be made in the absence of any other clear targeting methodology subject to the condition that electricity bills contain the required identification information. Currently the electricity bills in Pakistan only contain the ID of the person on whose name the meter has been installed. ID information of the incumbent resident in case of rented premises or in case of change of the ownership of the house. NEPRA needs to be approached to take up the matter with electricity supply companies for provision of such details on electricity bills where owner & consumer are not same. These companies will maintain & update the database regularly with CNIC details of the consumer. Legal instruments (SOPs, MOUs, and agreements, etc.) may be signed for sharing of data with these companies as per law. Second option available is that government may like to pay electricity bills for the consumers having electricity bill up to (suggested 50 Units) an agreed threshold of electricity units/month.

Similar arrangements can be made with telcos for cross matching of the data for targeting of potential beneficiaries based on average 3 months billing up to a certain consumption threshold (as decided by the Government).

#### **4. Effective Disaster Management System**

Effective disaster management or disaster response can be defined as providing the technology, tools and practices that enable disaster response organizations to systematically manage information from multiple sources and collaborate effectively to assist survivors, mitigate damage and help communities rebuild.

Organizations that are engaged in disaster management need technology solutions that will enable them to provide lifesaving response and recovery assistance to the people who need their help when disasters strike. Increasingly disaster management organizations look for applications that are industry-proven, robust, cost-effective, interoperable and, in some cases, able to operate with limited or intermittent connectivity and various levels of network capacity. When considering disaster management solutions, it's important to look for the following capabilities and benefits:

- Optimized situational awareness. Real-time communication, data management and data transmission deliver a full picture of the situation.
- Interoperable, collaborative environment. Responders save lives by improving information flow across all types of boundaries.
- Support for mobile, Web-based access across a range of devices. All components and people are connected in fixed and field locations.
- System security and reliability. A combination of powerful security and performance.
- Comprehensive system manageability. All facets of the solution are designed to work together<sup>12</sup>.

##### **4.1. Social Protection System and Disaster Preparedness**

Social protection system provides detailed efforts of a state to mitigate, respond and build resilience of the vulnerable segments of the society holistically and within a country's broader policy context. It also takes a forward-looking approach, providing not only a diagnostic of the current state of the system but also highlighting future challenges and options for addressing them. This includes an analysis of the country's demographics, poverty dynamics, labor market trends and revenue base in so far as these have implications for social protection. It also examines how social protection expenditure is financed and its sustainability over the long term.

Program cycle for social protection intervention and disaster management contains almost similar steps. Social protection programs are launched to provide effective and equitable coverage for the poor and vulnerable to poverty and other socio-economic and demographic risks. It starts with the problem statement, identification of the target group, setting up the eligibility criteria for the most vulnerable and marginalized (if required)/ Targeting mechanism for maximum inclusion, determining of nature of benefit/assistance (cash/in-kind), strategy to reach out to the beneficiaries

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<sup>12</sup> <https://www.govtech.com/em/disaster/Effective-Disaster-Management-Strategies.html>

(push/pull approach) ensuring maximum coverage and implementation of the said program with the support of relevant stakeholders/partners.

Similarly, disaster management program starts with the problem (the nature of disaster), identification of the target group (likely to be most affected), targeting approach is mostly a mix of geographic, categorical or at times universal targeting depending upon the nature/extent of the disaster. It is followed by deciding the nature and adequacy/generosity of assistance (cash/in-kind or cash+) and then the execution of the relief program with the support of the most relevant partners having the paraphernalia and the capacity to roll it out in effective manner. It is important to mention here that both types of programs need estimated numbers of potential beneficiaries for allocation of financial resources. These estimates/projections can be made through various surveys or other statistical analysis of likely target groups, however, person-specific information/details to reach out to the bona fide beneficiaries for effective and transparent distribution of the benefit are essentially required. Without the database of the persons with personal credentials with means of verification to justify the selection of beneficiaries, the program will invite huge criticism.

World Bank report prepared on Disaster Risk Management for Myanmar reveals that Social Protection can help build people’s social and economic resilience against disasters. Regular cash transfers, including public works programs, can help smooth consumption, build and maintain assets, and develop human capital to better cope up with natural hazards. Disaster Risk Management (DRM) can be linked to social protection programs to trigger a safety net response in times of emergencies. Community-driven development (CDD) programs could provide a useful platform for social protection programming to respond to disaster and build long term resilience<sup>13</sup>.

The table below shows the similarities of Social Protection and Disaster Management Program.

**Table 1: Similarities between social protection and disaster management programs**

Sr. No	Program Cycle/Requisites	Social Protection Program  Desirability	Disaster Management Program	
			Component	Desirability
1	Identification of problem	Yes	Risk Mitigation & Preparedness	Yes
2	Identification of target group	Yes		Yes
3	Targeting Mechanism	Yes		Yes
4	Eligibility criteria for beneficiaries	Yes		Yes
5	Nature and of assistance i.e. cash or in-kind	Yes	Preparedness & Response	Yes

<sup>13</sup> <https://openknowledge.worldbank.org/handle/10986/22324?show=full>

6	Adequacy/generosity of benefit	Depending upon need assessment/nature of vulnerability/Availability of funds		Depending upon need assessment/nature of disaster/Availability of funds
7	Disbursement mechanism	Push or Pull	Response & Rehabilitation	Push or Pull depending the nature of disaster
8	Identification of implementation partners and Institutional Arrangements/Implementation Plan	Yes		Yes
9	Grievances Redressal System	Yes		Yes
10	Monitoring & Evaluation	Yes		Yes

It is evident that the various components of disaster management cycle i.e. risk mitigation, preparedness, response and recovery entail almost the same set of activities and system capacities as that of a social protection program.

## 5. Learning from COVID-19

During the planning for Covid-19 response, the Working Group on Social Protection constituted by Government of the Punjab confronted the following issues which made decision making difficult with regard to identification/targeting and rolling out of the emergency relief program:

- a. Absence of the dynamic National Socio Economic Registry for efficient identification and effective targeting of potential beneficiary groups
- b. Absence of databases of various vulnerable potential beneficiaries group due to huge informal economy
- c. Lack of coordination between Federal & Provincial Government to avoid duplication of efforts/resources and imposition of vertical program of Ehsaas Kafalat through district administration.
- d. Lack of preparedness of PDMA/District administration for provision of in-kind emergency assistance.
- e. Decision on cash or in-kind assistance
- f. Lack of coordination between various implementation agencies, clarity of roles and responsibilities etc.
- g. Non-existence of any linkages/mechanism to use NGOs/NPOs/philanthropy/CSR for efficient and effective reaching out to relief assistance.

Point a) and b) above have been discussed threadbare in the sections 3.1 and 3.2 above. For the rest, reasons of problem and proposed solution are discussed below seriatim.



**c) Lack of Coordination between Federal and Provincial Government:**

After the promulgation of 18th amendment, social protection has become a provincial subject. However, Federal Government has been making decisions, often unilaterally, on all social protection aspects. Though the Ehsaas program was formulated with participatory process to some extent but it does not describe, in specific details, about the roles, responsibilities and nature of institutional arrangement between Federal Government and federating units with regard to implementation of the Ehsaas Program.

It is highly imperative that Federal Government must, in collaboration with provinces, formulate a strategy on issues/policy statements and priority areas given in the Ehsaas program for social protection and poverty alleviation (SP&PA) with absolute clarity of role of Federal Government related to planning, financing, regulating and overseeing of SP&PA programs viz-a-viz provinces. Federal Government also needs to finalize the updating of NSER and decide data sharing protocols with the provinces to ensure availability of data for consistent targeting and identification of prospective beneficiaries. Moreover, federal government also needs to avoid planning, designing and implementation of vertical social protection programs in the provinces which require extensive involvement of provincial government departments/agencies/district administration over and above their provincial priority obligations. Vertical programs coming from the federal government do not only create administrative as well as implementation problems but also leave provincial government little room to go by its planned social protection initiatives targeting the same vulnerable and marginalized groups.

For instance, Punjab Government after detailed deliberations formulated Covid-19 relief assistance program with huge budgetary allocations but could not proceed with it as federal government came up with similar type of relief program with the same target groups. Besides, federal government through its subsidiary bodies such as NADRA, PTA, and FIA etc. made institutional arrangements for filtration and updating of beneficiary data for reaching out to them. It leaves no room for the provincial government to decide and finalize its target groups to extend relief package unless federal government is done with its targeting and completion of the program. The roll-out of SP&PA programs by the provincial government is further constrained as the district administration is the main agency engaged in implementation of federal Ehsaas program. Besides, assistive role of NADRA, PTA and FIA is also not available to provinces to have real-time filtration as being done by federal government. Government of the Punjab therefore needs meaningful engagement with the federal government to clarify the situation.

**d) Lack of Preparedness of PDMA/District Administration**

The preparations of both PDMA and District Administration to respond to such disaster left a lot of room for improvement in terms of an effective disaster management/contingency plan and the resources (especially with regard to cash/in-kind assistance) to quickly respond to the epidemic and its aftermath. Moreover, decision making for disaster response was also fragmented and scattered both at federal and provincial level. This unpreparedness led to mutually counteractive management of the health hazard: on the one hand lockdown/ ban on public gathering was imposed to control the spread of highly contagious Covid-19 virus, on the other hand a “pull” approach for

cash disbursement was chosen (given no alternative plan) creating huge risk of virus spread through overcrowding at cash-disbursement centers<sup>14</sup>.

PDMA and district administration of all districts need to have disaster preparedness plan based on following:

- Mapping of potential risks/vulnerability index (including natural/manmade disasters e.g. flood/landslide/drought/epidemic, shortage of food/malnutrition etc.) of each district should be done immediately. PDMA may facilitate the respective district government in formulation of such plans through spatial strategy related to various potentially affected areas. As regard floods, spatial demarcation of the potentially affected areas (depending upon the intensity of flood (low, medium, high) through satellite imagery should be done by Urban Unit and shared with respective districts. Preparedness measures may be taken on the basis of forecasts made by Meteorology Department.
- As far as possible identification of the risk prone areas be done and databases of potential target groups be prepared in advance.
- A rigorous monitoring mechanism may be put in place to avoid settlements constructed in the flood prone areas/hill torrent course/high landslide prone areas etc.
- District Administration may map the requirements and availability of food and other basic necessities and devise a supply chain mechanism in case of such shocks. Various supply chain/storage points/camp sites may be identified keeping in view the need of swift and effective mobilization of resources.
- Every district should earmark premises to be used for field hospital(s) in case of intense health shocks.
- District Administration should also map the registered NGOs/NPOs/RSPs working in its respective area of jurisdiction and work out a plan for reaching out/implementation of relief program in case of disasters.
- District Government may also work out a local mechanism of connecting the philanthropists to potential target groups in a manner so that judicious, effective and transparent utilization of relief goods and assistance is made.
- As far as possible local databases of each district with regard to vulnerability index/labor profiling be done for effective reaching out to the vulnerable groups.

**e) Cash or In-kind Transfer**

Cash or in-kind assistance is decided mainly keeping in view the nature of the disaster/shock coupled with certain other factors e.g. preparedness, availability of resources, capacity to execute etc. An informed choice based on the spatial analysis of the COVID-19 incidence could have been made with in-kind supplies ensured in the areas with strict lock-down. This could have avoided crowding at the cash-disbursement points.

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<sup>14</sup> Commutation of women along with their chaperones to and from the disbursement point also created health hazards.

**f) Lack of coordination between various implementation agencies, clarity of roles & responsibilities etc.**

Akin to the lack of coordination between the federal and provincial government, there was a lack of coordination on the part of provincial departments and implementation agencies as well. For example, for identification of the potential beneficiaries including the poor and the laid-off workers, it was not clear which body/agency had what specific responsibilities. Similarly, when Insaf Imdad App was launched, PSPA was not taken on board as to the eligibility criteria or the payment mechanism. It is imperative to take all stakeholders on board and devise a strategy that contains exact roles and responsibilities of all provincial bodies in accordance with their mandate, strengths and capacity. Creating interim parallel set ups can only complicate the situation and may be counterproductive.

**g) Non-existence of any linkages/mechanism to use NGOs/NPOs/Philanthropy/CSR for efficient and effective reaching out to relief assistance.**

There are many development organizations such as RSPs, Akhuwat, Kashaf, etc. that are working on the grass-root level and have outreach in the community. Many companies and philanthropists were also willing to contribute towards the welfare initiatives. However, no specific mechanism were devised to collaborate with these NGOs/NPOs, companies and individual philanthropists so that their outreach and field force could be utilized. It is suggested to hold brainstorming sessions with these development players and chalk-out ways for mutual collaboration.

## **6. PSPA Future Plan**

PSPA is currently running various cash assistance (both unconditional and conditional cash transfer) programs in accordance with its policy objectives. It also has 8 new programs approved for FY 2020-21 with the portfolio of Rs.6 billion. PSPA has also adopted life cycle approach and a massive program covering child's 1000 days of life leading to pre-nursery school readiness will be rolling out by September 2020. It also has an economic inclusion component that focusses on youth with regard to their readiness for active labor market programs. This is World Bank funded program with the total portfolio of \$200 million as soft loan. Besides, a DFID funded program focused on extreme/ultra-poor women with grant-in-aid up to £27.5 million will also commence by the December 2020. Both foreign funded programs have major components of economic inclusion programs based on community-based working through implementing partner(s)/social mobilizers (expectedly RSPs).

Covid-19 has affected the economy of the world to a great extent. Growth rate of Pakistan's economy has been predicted to remain negative for FY 2020-21. In these circumstances, the nature of social protection programs needs to be reviewed. As PSPA is mostly doing consumption smoothing cash transfer programs which cannot contribute to resilience building against shocks as compared to programs designed for resilience building. Furthermore, majority of these programs are unconditional cash transfer, therefore, not seeking reciprocity from the beneficiaries to tune to more productive behavior with regard to economic inclusion within household/family. These programs also do not aim at community development. Besides, PSPA needs to work with integrated model of working on at least two components of social protection i.e. social assistance

and social insurance which are currently fragmented and being run by various government departments/organizations. Short, medium and long term plan for PSPA is proposed as under:

- i. PSPA may need to focus more on conditional cash transfers than consumption-smoothing unconditional cash transfer programs.
- ii. Graduation programs for current unconditional cash transfer program beneficiaries may be introduced, wherever lacking, and pursued vigorously.
- iii. Roles and responsibilities of other departments with regard to execution of various social protection programs in all social protection components (social assistance, social care, social insurance and ALMPs) may be reviewed and a greater planning, designing and execution role be given to PSPA. For instance, Zakat Department is only handling simple cash transfer programs to approximately 170,000 beneficiaries and coordinating with PVTC for skill development of poor people. All components of Zakat-based cash transfer programs may be treated as a single program and all its subsidiaries be given to PSPA for all administrative purposes. The implementation partners can be chosen according to the nature of the problem/disaster in line with the human resource requirement in the field.
- iv. The government may decide to give identification, targeting and cash-disbursement responsibilities solely to PSPA.
- v. PSPA may be engaged in social insurance and a complete regime be set up to provide contributory and non-contributory short- and long- term benefits for employees and self-employed persons. Role of PESSI under Labor Department may be reviewed and put under PSPA for the purpose.
- vi. PSPA while adopting life cycle approach may go for community-based development programs to be implemented through social mobilization partner(s). These programs may include conditional cash transfer component with behavior-change communication for promoting savings and building assets i.e. risk reserves and risk management; social insurance component with contributory schemes for risk transfer; and access to interest free micro credit for prudent risk taking. Entrepreneurial activities will also be supported through technical and financial support for adoption of better technologies and production methods. As the social mobilizer works very closely with family/household, it will help to assess the needs of the targeted family for most appropriate and meaningful intervention(s) for resilience building. Based on need assessment, people in workable age can be easily registered for employment guarantee (public works)/wage subsidy and self-employment schemes.
- vii. PSPA also needs to work with RSPs for community need assessment through spatial poverty strategy to address the community issues for risk mitigation especially in urban slums and for poor traditional farmers in the rural areas.
- viii. PSPA should establish interoperable database system for all social protection initiatives running in Punjab by various implementing agencies. Single beneficiary registry and NSER Plus discussed earlier would be part of this system.
- ix. PSPA should establish a platform for provision of integrated services for all social protection initiatives in the form of one-window Service in all districts of Punjab.
- x. District Social Protection Committees may be formed for improved coordination with all the districts with regard to routine as well as shock-responsive social protection.
- xi. PSPA should establish a social protection fund for dealing with any emergent issues such as health disasters.

## **7. Implementation Framework**

Implementation on the reforms suggested above would require many government and non-government organizations to join hands. PSPA is already collaborating with different government departments and international development organizations for improving the social protection landscape in Pakistan. For making the one-window system, PSPA is working with GIZ. Similarly, UNICEF has planned to undertake impact evaluations of some of the current social protection programmes and to build PSPA's capacity on cash transfers in humanitarian situations. For labor registry, initial discussion with ILO has taken place. For making a technology-based referral system, DFID is providing assistance to PSPA under WINGS Project.

For further strengthening these partnerships, development organizations can choose their areas of interest, as they deem fit, and collaborate with PSPA. For example, Sub-national Governance (SNG) Project of DFID is working on governance reforms in the Punjab. It can help identify the roles of various government departments in the development of a social protection system and implementation of social protection programmes such as Punjab Ehsaas Programme. It can also pilot some ideas shared in this paper through grants or challenge fund. The World Bank is partnering with PSPA for Punjab Human Capital Investment Project which has a dedicated component related to capacity building of PSPA to provide better social protection services. The scope of this assistance could be expanded in light of the recommendations made in this paper. Similarly, the organizations working on community-based development, can identify mutual areas of collaboration for community development. Government departments with depositories of data such as Urban Unit can develop mechanisms for data sharing with PSPA.