

Markhof, Yannick

**Working Paper**

## Pakistan's social protection response to the COVID-19 pandemic: The adequacy of Ehsaas Emergency Cash and the road ahead

Working Paper, No. 188

**Provided in Cooperation with:**

International Policy Centre for Inclusive Growth (IPC-IG)

*Suggested Citation:* Markhof, Yannick (2020) : Pakistan's social protection response to the COVID-19 pandemic: The adequacy of Ehsaas Emergency Cash and the road ahead, Working Paper, No. 188, International Policy Centre for Inclusive Growth (IPC-IG), Brasilia

This Version is available at:

<https://hdl.handle.net/10419/261192>

**Standard-Nutzungsbedingungen:**

Die Dokumente auf EconStor dürfen zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden.

Sie dürfen die Dokumente nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, öffentlich zugänglich machen, vertreiben oder anderweitig nutzen.

Sofern die Verfasser die Dokumente unter Open-Content-Lizenzen (insbesondere CC-Lizenzen) zur Verfügung gestellt haben sollten, gelten abweichend von diesen Nutzungsbedingungen die in der dort genannten Lizenz gewährten Nutzungsrechte.

**Terms of use:**

*Documents in EconStor may be saved and copied for your personal and scholarly purposes.*

*You are not to copy documents for public or commercial purposes, to exhibit the documents publicly, to make them publicly available on the internet, or to distribute or otherwise use the documents in public.*

*If the documents have been made available under an Open Content Licence (especially Creative Commons Licences), you may exercise further usage rights as specified in the indicated licence.*



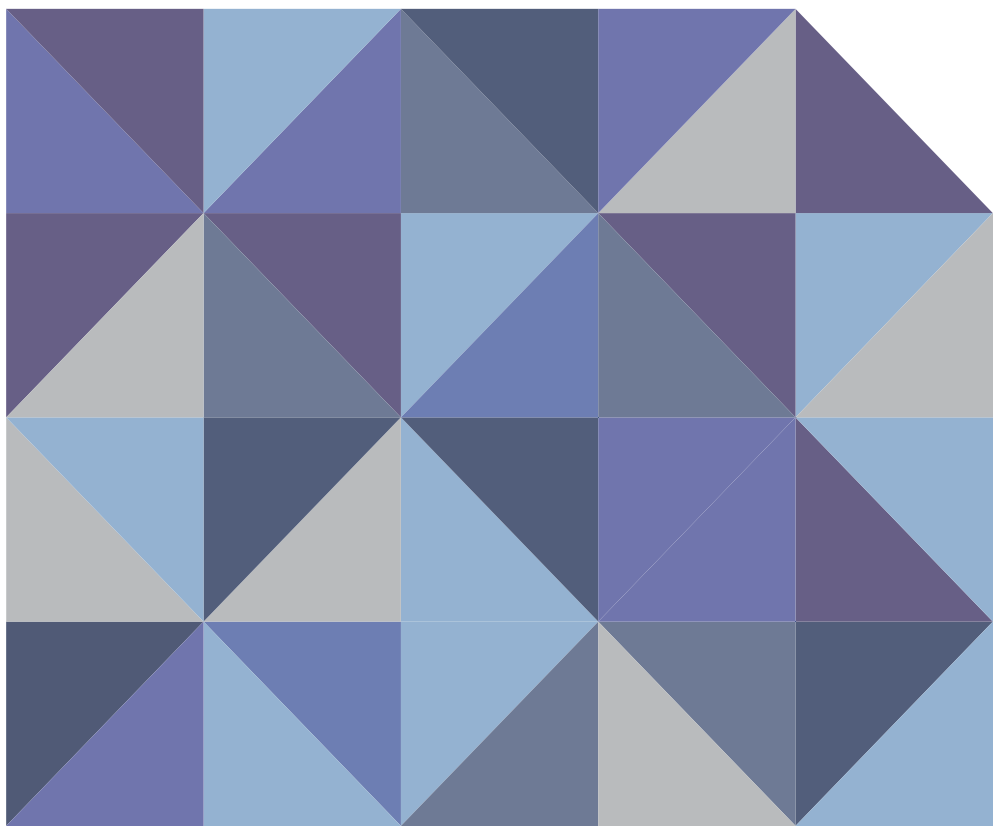
# WORKING PAPER

working paper **number 188**  
december, 2020

ISSN 1812-108x

## **Pakistan's social protection response to the COVID-19 pandemic: the adequacy of Ehsaas Emergency Cash and the road ahead**

**Yannick Markhof**, International Policy Centre for Inclusive Growth (IPC-IG)



Working Paper No. 188

**Pakistan's social protection response to the COVID-19 pandemic:  
the adequacy of Ehsaas Emergency Cash and the road ahead**

By Yannick Markhof

Copyright© 2020

International Policy Centre for Inclusive Growth

**International Policy Centre for Inclusive Growth (IPC-IG)**

SBS, Quadra 1, Bloco J, Ed. BNDES, 13º andar

70076-900 Brasília, DF - Brazil

Telephone: +55 61 2105 5000

[ipc@ipcig.org](mailto:ipc@ipcig.org) ▪ [www.ipcig.org](http://www.ipcig.org)

The International Policy Centre for Inclusive Growth (IPC-IG) is a partnership between the United Nations and the Government of Brazil to promote South–South learning on social policies. The IPC-IG is linked to the United Nations Development Programme (UNDP) in Brazil, the Ministry of Economy (ME) and the Institute for Applied Economic Research (Ipea) of the Government of Brazil.

**Rights and Permissions**

All rights reserved.

The text and data in this publication may be reproduced as long as the source is cited. Reproductions for commercial purposes are forbidden.

The International Policy Centre for Inclusive Growth disseminates the findings of its work in progress to encourage the exchange of ideas about development issues. The papers are signed by the authors and should be cited accordingly. The findings, interpretations, and conclusions that they express are those of the authors and not necessarily those of the United Nations Development Programme or the Government of Brazil.

**Working Papers** are available online at [www.ipcig.org](http://www.ipcig.org) and subscriptions can be requested by email to [ipc@ipcig.org](mailto:ipc@ipcig.org).

Print ISSN: 1812-108X

**SUMMARY**

- Acronyms and abbreviations..... 5**
- 1 Introduction and context..... 7**
- 2 Social protection in Pakistan—a brief overview ..... 12**
  - 2.1 Pakistan’s regular social protection system ..... 12
  - 2.2 Social protection in the COVID-19 crisis ..... 16
- 3 Adequacy of Pakistan’s social protection response:  
Ehsaas Emergency Cash ..... 19**
  - 3.1 Programme design ..... 19
  - 3.2 Adequacy of benefit value..... 25
  - 3.3 Adequacy of coverage..... 28
  - 3.4 Adequacy of selection and delivery mechanisms..... 33
- 4 Proposed adjustments to the current response  
and associated costs..... 35**
- 5 Looking ahead—challenges and opportunities for  
social protection in Pakistan..... 41**
- 6 Policy findings ..... 44**
- Appendix..... 47**
- References ..... 53**

# LIST OF BOXES

**Box 1.** *Ehsaas Kafaalat* and the NSER.....20

**Box 2.** Profiling criteria for prospective EEC beneficiaries .....22

# LIST OF FIGURES

**Figure 1.** Projected GDP growth rates before the crisis (January), during the general lockdown (April), and post-lockdown (June) ..... 9

**Figure 2.** Projected increase in poverty at different international poverty lines ..... 10

**Figure 3.** Division of responsibilities before and after creation of the Poverty Alleviation and Social Safety Division ..... 15

**Figure 4.** District-level coverage metrics .....32

# LIST OF TABLES

**Table 1.** Select demographic and economic indicators ..... 7

**Table 2.** Current state of the pandemic..... 8

**Table 3.** Select indicators from the national budget for FY 2020-2021 ..... 11

**Table 4.** Breakdown of EEC enrolment by category of beneficiary and province.....22

**Table 5.** EEC categories.....24

**Table 6.** Estimated coverage of income losses through EEC .....26

**Table 7.** Monthly food expenditure (inflation adjusted for 2020) and number of weeks covered by the PKR12,000 from EEC.....28

**Table 8.** Current enrolment in and coverage of EEC as a share of the vulnerable population by province .....29

**Table 9.** Costs of extending coverage to previously uncovered, significantly affected informal workers.....37

**Table 10.** Costs of extending coverage to previously uncovered, multidimensionally vulnerable people .....38

**Table 11.** Costs of extending benefit values to cover monthly food expenditure .....38

**Table 12.** Costs of extending the length of coverage through EEC .....40

**Table 13.** Costs of covering ongoing wage losses of particularly affected informal workers .....40

**Table 14.** Comparative table of emergency cash transfers during the COVID-19 crisis .....47

**Table 15.** Matrix of possible amendments to EEC and the transition period after COVID-19 .....52

## ACRONYMS AND ABBREVIATIONS

BISP	Benazir Income Support Programme
CNIC	Computerised National Identity Card
CRMVI	COVID-responsive Multidimensional Vulnerability Index
EEC	Ehsaas Emergency Cash
EK	<i>Ehsaas Kafaalat</i>
FY	Financial year
GDP	Gross domestic product
HIES	Household Income and Expenditure Survey
IPC-IG	International Policy Centre for Inclusive Growth
LCU	Local currency units
NSER	National Socio-Economic Registry
UNDP	United Nations Development Programme

# PAKISTAN'S SOCIAL PROTECTION RESPONSE TO THE COVID-19 PANDEMIC: THE ADEQUACY OF *EHSAAS* EMERGENCY CASH AND THE ROAD AHEAD<sup>1,2</sup>

Yannick Markhof<sup>3</sup>

This Working Paper presents an analysis into the adequacy of Pakistan's social protection response to the COVID-19 pandemic and highlights pertinent policy takeaways for turning the health crisis into an opportunity for a strengthened social protection system in Pakistan. It focuses on Ehsaas Emergency Cash (EEC) as the country's flagship initiative to attenuate the economic fallout for the most vulnerable people during and after the crisis. The report starts with a brief analysis into the economic context of the crisis in Pakistan and describes the country's social protection landscape. Furthermore, the paper distinguishes adequacy considerations for emergency measures put in place from those for regular social protection. Subsequently, we introduce EEC's programme design in light of the crisis and later discuss its adequacy regarding benefit values, coverage, and selection and payment mechanisms. Throughout this analysis, the paper shines a light on the merits of the existing social protection response and highlights important benefits as well as potential shortcomings of the measures taken. Drawing on some of EEC's most significant limitations as previously identified, we then shift our focus to estimates of the costs of a number of stylised changes to the programme's design. The paper concludes with a look ahead into challenges for social protection in Pakistan and summarises some of its most pertinent findings into brief, policy-oriented recommendations.

We find that EEC has managed to expand social protection coverage substantially to cover those who have been heavily affected by the health crisis but lack regular access to social protection. Furthermore, EEC has revealed important opportunities for future resilience-building through strong social protection systems in Pakistan. At the same time, the paper cautions that the economic ramifications stemming from the crisis seem certain to take a lasting toll on (informal) livelihoods in the country for months to come. A continued response and important possible amendments to it as identified by our adequacy analysis, as well as the inclusion of lessons learned from the crisis response, could lay the basis for building back better and turning the COVID-19 crisis into an opportunity for social protection in Pakistan.

**Keywords:** social protection; COVID-19; cash transfer; Pakistan; crisis response; adequacy.

---

1. The cut-off date for this paper was August 31 2020 and information is current as of this date unless indicated differently.

2. The author gratefully acknowledges comments received from the UNICEF Country Office for Pakistan on earlier versions of this paper, as well as comments and guidance from Pedro Arruda. His thanks also go to Khurram Arif for excellent research assistance, as well as to the wider team at the IPC-IG for their general support.

3. International Policy Centre for Inclusive Growth (IPC-IG).

## 1 INTRODUCTION AND CONTEXT

This research piece presents an analysis of the adequacy of Pakistan's social protection response to the COVID-19 crisis, and the fiscal costs and benefits of amendments to it. It focuses on Ehsaas Emergency Cash (EEC) as the country's flagship initiative to reduce the economic impact on the most vulnerable members of society during and after the crisis. The report starts by briefly presenting some select demographic and economic indicators and gives a snapshot of the current state of the pandemic. It then proceeds to describe the social protection context in Pakistan and distinguishes between emergency measures put in place and regular social protection. Subsequently, it introduces EEC's programme design in light of the crisis and later discusses its adequacy regarding benefit values, coverage, and selection and payment mechanisms. Throughout this analysis, the report highlights the merits of the existing social protection response and thus identifies important benefits as well as potential shortcomings of the action taken.

Drawing on some of the most important limitations of EEC identified before, we then move our focus to estimates of the costs of a number of changes to programme design. While these estimates do not (and cannot) claim to be exact, they offer insights into the merits of amendments to the current crisis response and give a notion of the additional costs to the programme budget they need to be weighed against. The report concludes with a look ahead at some challenges for social protection in Pakistan and summarises some of its most pertinent findings in the form of brief, policy-oriented recommendations.

**TABLE 1.** Select demographic and economic indicators

Select demographic and economic indicators	
Poverty headcount ratio at national poverty lines (% of population)	24.3
Poverty gap at USD3.20/day (2011 purchasing power parity—PPP) (%)	7.6
Poverty headcount ratio at USD1.90/day (2011 PPP) (% of population)	3.9
Multidimensional poverty headcount ratio (% of total population)	38.8
Population aged 65 and above (% of total population)	4
Population aged 0–14 (% of total population)	35
Prevalence of wasting, weight for height, male (% of children under 5 years)	7.6
Prevalence of wasting, weight for height, female (% of children under 5 years)	6.6
Prevalence of stunting, height for age (% of children under 5 years)	37.6
Prevalence of moderate or severe food insecurity in the population (%)	33.6
Unemployment, total (% of total labour force)	4.1
Youth unemployment rate	7.90
Number of informal workers	59.15 million
Proportion of informal workers (% of employed population)	82

Source: World Bank (2020a); ILO (2020); UNICEF, UNESCO and UN-Habitat (forthcoming).

Like many countries in the region, Pakistan has been hit hard by the COVID-19 crisis in both public health and economic terms. While its population is comparatively young, a potential boon in curbing death rates during the pandemic, Pakistan's health system's already limited capacity has been critically strained by the pandemic, and crowded dwellings in urban slums have evolved into catalysts of disease spread. Economically, like practically all countries in the region, Pakistan features high rates of informality among its working population, and the crisis has added to an



already tenuous fiscal position that has been the subject of International Monetary Fund structural adjustment programmes as recently as 2019 (Rana 2020). Rapid spread of the disease required the country to go into full lockdown in late March, trading off a potential containment of the pandemic with millions of livelihoods endangered by lockdown measures. This trade-off eventually also led to a gradual lifting of lockdown measures from 9 May, followed by the announcement that no renewed general lockdown would be imposed despite surging case numbers (Greenfield and Farooq 2020). This decision came under heavy criticism from national and international actors, and Pakistan has since started to re-impose ‘smart lockdowns’ of initially two weeks in major cities (Farooq and Peshimam 2020; Dawn 2020b). These smart lockdowns are locally constrained and focus on hotspots of the pandemic identified by the National Command and Control Center. Provinces are then advised to impose two-week-long lockdowns isolating the relevant area.

To illustrate the adverse impacts of the crisis and the development of the pandemic in Pakistan, Figure 1 highlights forecast gross domestic product (GDP) growth rates for Pakistan at three different points over the last months. As a baseline, we report financial year (FY) 2018-2019 GDP growth and the forecast figures for economic growth in FY 2019-2020 (ending June 2020) and the current FY 2020-2021 from the January 2020 edition of the World Bank’s ‘Global Economic Prospects’—that is, before the onset of the pandemic in Pakistan. From then on, we contrast the pre-COVID-19 forecast with figures from the World Bank’s ‘South Asia Economic Focus’ from April, and the recent update of ‘Global Economic Prospects’ from early June.

**TABLE 2.** Current state of the pandemic

<b>Current state of the pandemic</b>	
Number of confirmed cases (as of 10 July)	240,848
Number of active cases (as of 10 July)	90,554
Total number of cases per million persons (as of 10 July)	1,090.34
Total number of deaths (as of 10 July)	4,983
Total number of recovered cases (as of 10 July)	145,311
Death rate per confirmed cases	0.02
Recovery rate per confirmed cases	0.603
Total number of tests (as of 10 July)	1,491,437

Source: <[www.covid.gov.pk](http://www.covid.gov.pk)>.

The figure allows for a number of observations. First, the crisis is having a considerable effect on growth rates in Pakistan, which were already growing slower than the regional average of 4.7 per cent before the crisis. While growth was already rather meagre in FY 2018-2019, Pakistan is now forecast to register contractions of the economy of 2.6 per cent in FY 2019-2020 and 0.2 per cent in FY 2020-2021.<sup>4</sup> This means that increased expenses in the social sector, including social protection, and potentially more austere credit conditions on financial markets will coincide with lower revenues and a generally gloomy economic outlook. Furthermore, the economic growth rates underlying the new budget are 2.3 percentage

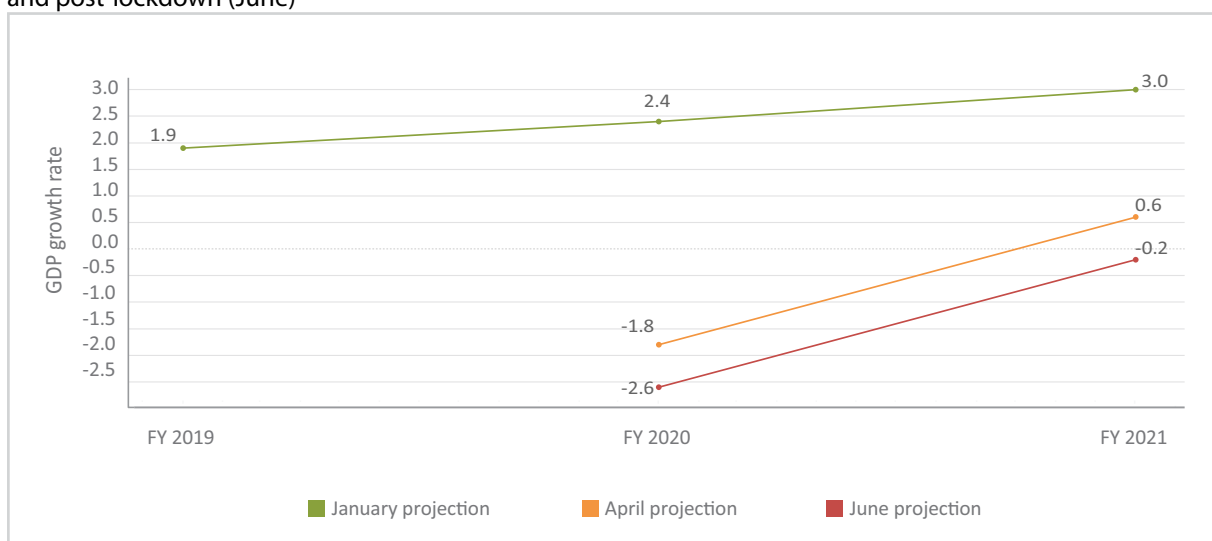
4. The World Bank projections we present stand in some contrast to official government figures. The recently published budget for FY 2020-2021 estimates a contraction of only 0.4 per cent for FY 2019-2020 and projects growth to recover to 2.1 per cent in FY 2020-2021 (Government of Pakistan 2020e). Somewhat in the middle lie the recent International Monetary Fund estimates from the June 2020 ‘World Economic Outlook’ of a 1 per cent growth rate for the coming 12 months (IMF 2020b).

points more optimistic than the latest World Bank forecast (see budget discussion below). This will mean that Pakistan is potentially heading into an economically precarious future.

Second, the figures below illustrate the development of the pandemic in Pakistan and an apparent optimistic bias at the onset of the crisis. Initially, effects were assumed to mainly stem from negative spillovers from the developing world and would fade out rather quickly. Due to the effects of the ongoing ripples the pandemic is sending through the national and global economies, the outlook has been continuously adjusted downwards and is still subject to considerable downside risks. Therefore, lastly, despite the partial recovery of economic growth projected for the next 12 months, Pakistan's economy is expected to suffer the consequences of the crisis for some time to come. At least two consecutive years of significantly underperforming counterfactual growth of the no-COVID scenario signify a heavy damper on Pakistan's structural adjustment efforts. However, this must not come at the expense of social protection. On the contrary, the ongoing toll the crisis will take on livelihoods in the country should be met with commensurate efforts to save jobs, protect livelihoods and expand the social protection system towards universal coverage in order to avoid further damage.

This urgent call to action for policymakers is also reflected in projected poverty impacts: the above-mentioned impacts on economic growth are expected to lead to reductions in per capita consumption, thus causing over 2 million more Pakistanis to fall into extreme poverty (below the World Bank's USD1.90/day poverty line) in a pessimistic scenario. Figure 2 depicts estimates from Lakner et al. (2020) we simulate scenarios for global poverty from 2019 to 2030 under various assumptions about growth and inequality. We use different assumptions about growth incidence curves to model changes in inequality, and rely on a machine-learning algorithm called model-based recursive partitioning to model how growth in GDP is passed through to growth as observed in household surveys. When holding within-country inequality unchanged and letting GDP per capita grow according to World Bank forecasts and historically observed growth rates, our simulations suggest that the number of extreme poor (living on less than \$1.90/day for the increase in poverty due to the crisis at different poverty lines.

**FIGURE 1.** Projected GDP growth rates before the crisis (January), during the general lockdown (April), and post-lockdown (June)



Note: FY 2019 denotes the financial year ending in June 2019. For highest *ex-post* accuracy, the FY 2019 data point was taken from the June edition of 'Global Economic Prospects' (World Bank 2020f).

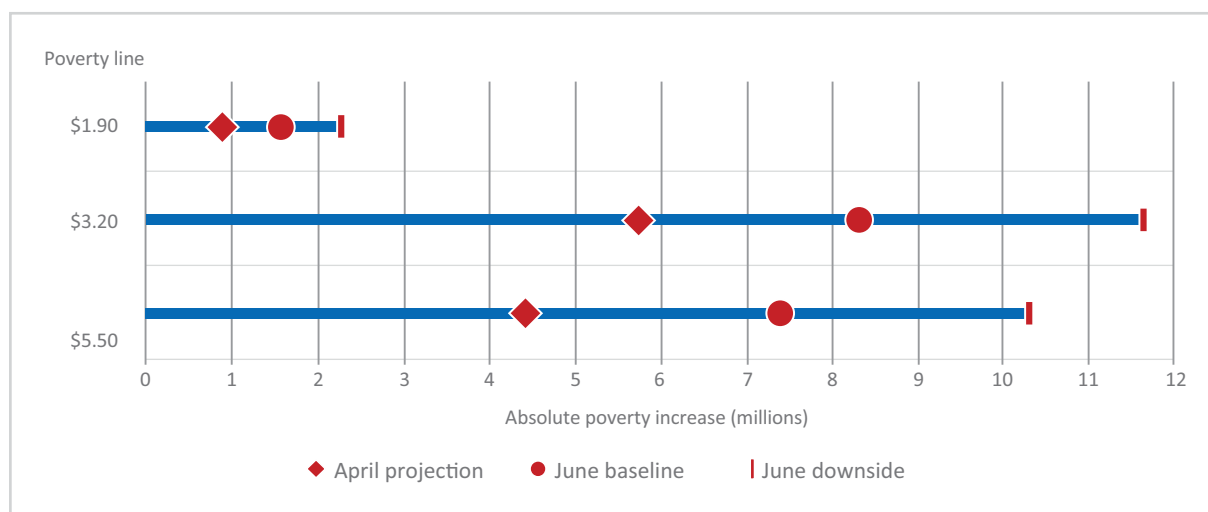
Source: World Bank (2020d; 2020e; 2020f).

Similar to the pattern observed for GDP growth rates, the projected increase in poverty has been adjusted significantly upwards in just the two months between April and June. In a downside scenario, 2.2 million Pakistanis might become extremely poor due to the crisis. However, the current crisis differs from economic shocks of the past in that it affects incomes across the distribution. Specifically, many (pre-COVID) non-poor informal workers belong to a missing middle without social protection coverage. Their livelihoods, however, are severely affected by the crisis, leading not only to increases in extreme poverty but particularly large increases at the lower-middle income poverty line of USD3.20/day.<sup>5</sup>

This highlights two things. First, it suggests that there are a large number of (informal) workers living just above the USD3.20/day poverty line who would see their incomes slashed by lockdown measures and the ensuing crisis and who, in the absence of specific social protection measures, risk falling into poverty. Second, therefore, social protection in the wake of the crisis should not only be concerned with the poorest in society but also with all those that see a significant deterioration in their socio-economic situation and do not have (regular) social protection coverage to mitigate the impact. If social protection coverage is thus not expanded to the middle segments of society, Pakistan risks allowing large crisis-induced increases in poverty at higher poverty lines to turn over time into equivalent increases in extreme poverty.

The crisis has exacerbated some old issues and created new challenges for Pakistan's economy. Due to the ongoing pandemic, the government released its budget for the new FY 2020-2021 in June, facing the conundrum of reconciling structural adjustment under the International Monetary Fund's Extended Fund Facility and the need for an ongoing fiscal and monetary crisis response. In Table 3 and the following paragraphs, we briefly highlight some pertinent aspects of the new budget.

**FIGURE 2.** Projected increase in poverty at different international poverty lines



Source: Lakner et al. (2020).

5. Note that increases in poverty measured at one poverty line do not imply increases at a different poverty line. In the example of Pakistan, fewer than 4 per cent of the population lived below the USD1.90 poverty line in 2015, but over a third of the country's population had less than USD3.20, and more than three quarters lived off less than USD5.50 (World Bank 2020b). Increases in extreme poverty brought about by those with pre-COVID-19 incomes between USD1.90 and USD3.20 falling below the USD1.90 threshold due to the crisis, for example, will not affect poverty headcount ratios at USD3.20. Consequentially, since most of Pakistan's population already lived below the USD5.50 threshold before the crisis, increases at this threshold are lower in Figure 2 than at USD3.20.

In the first nine months of FY 2019-2020, the government was on a path of stabilising the economy. Major fiscal indicators, such as the current account deficit, trade deficit, fiscal deficit, tax revenue collections and foreign direct investments, showed improvements from the previous year (Government of Pakistan 2020e). Fiscal reforms also resulted in an improved outlook for Pakistan's creditworthiness in the eyes of rating agencies (Moody's 2019). However, COVID-19 slammed the brakes on Pakistan's journey to sustainable economic progress. The immediate effects of COVID-19 can be seen in reduced GDP growth, which was initially expected at 3.3 per cent, an increase in the overall budget deficit from 7.1 per cent to 9.1 per cent of GDP, and a projected loss in tax revenue of PKR900 billion. Foreseeing the upcoming economic challenges and the adverse effects of imposed lockdowns, the Government of Pakistan announced a stimulus package of PKR1.2 trillion for the vulnerable segments of society (Government of Pakistan 2020e).

In the middle of this challenge, the newly announced budget foresees expenditure of PKR8,786 billion for FY 2020-2021, which is 4.3 per cent more than last year's budget. Kiani (2020) summarises some of the main features of the newly proposed budget and contrasts them to the previous one. To strengthen social protection programmes and support poor people, the government plans to spend PKR230.907 billion on social protection in FY2020-2021. This is up 21 per cent from last year's target but 6 per cent less than the actual expenditure, which exceeded the planned budget by PKR55 million. The government also bolstered the *Ehsaas* programme by increasing funding from PKR187 billion to PKR208 billion. Moreover, budget figures also reflect PKR200 billion for the Benazir Income Support Programme (BISP), PKR6.105 billion for *Pakistan Bait-ul Maal* and PKR2 billion for the Poverty Alleviation Fund, which are further described in Section 2.1 (Government of Pakistan 2020e).

**TABLE 3.** Select indicators from the national budget for FY 2020-2021

Budget item	2019-2020	2019-2020 (revised)	2020-2021 ( $\Delta$ 19-20 / $\Delta$ 19-20 revised)
Total expenditure	8,423.4 billion	8,345.3 billion	8,786.3 billion (+4.3% / +5.3%)
Government current expenditure on social protection	190.6 billion	245.0 billion	230.9 billion (+21.1% / -6%)
Defence budget	1,152.5 billion	1,227.4 billion	1,289 billion (+12% / +5%)
Education	77.2 billion	81.3 billion	83.3 billion (+8% / +2.5%)
Health	11 billion	12.0 billion	25.5 billion (+132% / +112%)
Poverty Alleviation and Social Safety Division	0.2 billion		0.135 billion (-32.5%)
COVID-19 response and other natural calamities programme	NA		70 billion
Pakistan Bait-ul-Maal (grant)	5.653 billion	5.653 billion	6.105 billion (+8%)
Benazir Income Support Programme (grant)	180 billion	242.303 billion	200 billion (+11% / -17%)
Pakistan Poverty Alleviation Fund (grant)	2.150 billion		2 billion (-7%)
Ehsaas Programme	187 billion	-	208 billion (+11%)
Total budget deficit [% of GDP]	-7.1%	-9.1%	-7.0%
GDP growth	2.4%	-0.4%	2.10%
Inflation	11–13%	11–12%	6.5%
Net debt-to-GDP ratio	73.0%	82.5%	83.1%
FBR tax revenue	5,555 billion	3,908 billion	4,963 billion (-10.7% / +27%)

Note: All numbers are in Pakistani Rupees (PKR).

Source: Government of Pakistan (2020e).

The budget expects the economy to grow at 2.1 per cent over the coming 12 months. This would mean a strong recovery from FY 2019-2020 growth rates estimated at -0.4 per cent by the government and even -2.6 per cent by the World Bank. Furthermore, GDP growth of 2.1 per cent would be markedly higher than international projections of -0.2 per cent (World Bank, 2020f) and 1 per cent (IMF 2020b). This discrepancy raises questions about the attainability of economic growth projections underlying the current budget, and threatens to come at the expense of the budgeted increases in social protection spending.

The government is also hoping to see an increase in the collection of tax by 27 per cent compared to the last FY. This could be an uphill struggle: current tax collection projections show a loss of PKR900 billion in tax collection in the last three months of FY 2019-2020 alone due to COVID-19 and the lockdown (Ministry of Finance 2020). Since the economic ramifications can be expected to continue for at least the first months of the new FY, this implies that government revenues might fall short of the declared goal. These worries have been echoed by global rating agency Fitch Ratings, which criticised the budget plans as “overly ambitious” (Fitch Ratings 2020). In particular, it questions the viability of the proposed increases in tax revenue and caution about the uncertain economic outlook. If plans prove unattainable, this would come at the cost of either a higher fiscal deficit that Fitch expects to increase to 9.5 per cent (as opposed to a slight reduction as envisioned by the new budget) or revisions to the proposed budget potentially threatening allocations to social protection.

On the one hand, increased allocations to social protection in the face of the crisis are thus necessary and commendable and show the government’s intention to assist the most vulnerable segments of society. On the other hand, it is uncertain whether the situation in the coming FY (which might see impacts from the current crisis over its entire duration) will allow for 6.8 per cent lower expenditure on social protection compared to 2019-2020, which only saw 3 months of crisis. Furthermore, the underlying assumptions of economic recovery and revenue creation are susceptible to the further development of the crisis, which could jeopardise the proposed budget plans significantly.

## **2 SOCIAL PROTECTION IN PAKISTAN—A BRIEF OVERVIEW**

This chapter provides the social protection context for the response to the crisis. It highlights some features and recent developments for social protection in Pakistan and discusses important aspects of EEC as an emergency measure within the broader social protection ecosystem of the country. We start by giving a brief overview of the regular social protection landscape in Pakistan.

### **2.1 PAKISTAN’S REGULAR SOCIAL PROTECTION SYSTEM**

In 1967 the Provincial Employees Social Security Scheme was the first social protection scheme launched in Pakistan, providing cash allowances and medical services to employees. In the early 1970s, two more schemes were added to the social protection portfolio: the Worker’s Children Education Ordinance and the Workers Welfare Fund (Syeda 2015). In 1976 the first federal scheme, the Employee Old-Age Benefits Institution, was launched to provide old-age grants and pensions. The Zakat and Usher Ordinance was passed and implemented in 1980 to support vulnerable segments of society. Later, in 1992,

*Pakistan Bait-ul-Mal* was founded to provide financial and in-kind support to deserving poor people and minorities who were not covered by the *Zakat* programme. In October 2008, the BISP was launched as a major component of the National Social Protection Strategy (the Benazir Income Support Act 2010). The aim of the BISP was to transfer a monthly cash amount of PKR1,000 to the poorest female heads of families to mitigate the negative impacts of economic and food crises and inflation on poor people, particularly women (Zia-ud-din, ShuHong, and Ranjha 2020).

Today, social protection programmes in Pakistan can be divided into two broad categories (Barrientos 2010), the majority of which belong to the social assistance sphere.<sup>6</sup>

### **Safety net/social assistance**

Various social assistance schemes have been launched in Pakistan over the years, such as *Zakat*, Pakistan Bait-ul-Mal and the BISP, that provide cash and in-kind assistance to vulnerable and marginalised segments of society. They each have different financing and targeting mechanisms.

- The *Zakat* scheme was first launched in Pakistan under the Zakat and Usher Ordinance of 1980. It is based on the contributions of faithful Muslims from their incomes and assets and administered by the Government of Pakistan. The collected money is then redistributed among needy and destitute people. *Zakat* assistance is distributed under different programmes, such as the *Guzara* allowance, educational scholarships, health care assistance, support to leprosy patients, Eid grants and marriage grants (Zia-ud-din, ShuHong, and Ranjha 2020). The Federal Ministry of Religious Affairs oversees the collection of *Zakat* and transfers funds to provincial Zakat Councils. Provinces have their own targeting methods for reaching the intended beneficiaries and distribute funds themselves among district-level Zakat Councils. Based on the Economic Survey 2018-2019, PKR7.37 billion of *Zakat* was distributed to provinces, of which 57.3 per cent was allocated to Punjab, 23.7 per cent to Sindh, 13.8 per cent to Khyber Pakhtunkhwa and 5.1 per cent to Baluchistan (Finance Division 2015).
- The primary function of *Pakistan Bait-ul-Mal* is to provide financial assistance to people who are not supported by the *Zakat* programme, which includes minorities and some sects of Muslims (Pakistan Bait-ul-Mal 1991; ShuHong, Zia-ud-din, and Ranjha 2017). In FY 2019, the government disbursed PKR2,562 billion through the following programme streams: individual financial assistance in the categories of medical, education and general; a child support programme; institutional rehabilitation of non-governmental organisations; schools for the rehabilitation of child labour; women's empowerment centres; Pakistan Sweet Home (orphanages); and Pakistan Great Home (old people's homes) (Ministry of Finance 2019).
- The BISP was launched in July 2008 as the National Cash Transfer Programme to support society's most vulnerable segments (Benazir Income Support Programme 2010). It comprises a core unconditional cash transfer to applicants registered in the

6. The list below is in no way meant to be a comprehensive mapping of social protection initiatives in Pakistan. Rather, we aim to provide some context for the emergency social protection response during the crisis and highlight that we are only analysing a small part of social protection in Pakistan in this brief: one programme (EEC) of the emergency response to the pandemic.

country's National Socio-Economic Registry (NSER)<sup>7</sup> with a poverty (proxy means test) score of 16.7 or lower (on a scale from 0 to 100). In 2012 the BISP introduced, in addition to its unconditional cash transfer, a conditional component called *Waseela-e-Taleem*. This component targets regular BISP beneficiary households that have children of primary school age. This additional grant is conditional on a 70 per cent attendance rate until completion of primary education (Benazir Income Support Programme 2020).

- In the government's new *Ehsaas* strategy for social protection, the BISP is currently being amended, and beneficiaries are transitioning to a new programme called *Ehsaas Kafaalat* (EK). The new programme is still paid to the poorest women (with a poverty score of 16.7 or less) but features amendments regarding the payment process, benefit value and frequency of payments, coverage and complementary initiatives (see also Box 1).
- Furthermore, the new *Ehsaas* initiative contains provisions for a number of other social assistance programmes such as a children's and mothers' nutrition programme, university scholarships, a graduation programme, food distribution, and a conditional cash transfer programme to incentivise school attendance (Government of Pakistan n.d.).

## Social insurance

Social insurance schemes in Pakistan are mainly only accessible to formal-sector employees and public-sector retirees and cover old-age contingencies, work-related injury, sickness and maternity (UNESCAP 2008). The schemes include the Government Servant Pension Fund, Employees Old-Age Benefits Institution, Public Sector Benevolent Funds, the Workers Welfare Fund and other social security initiatives such as severance pay and maternity benefits. Unfortunately, these schemes have limited coverage and no or extremely limited provisions to cover the informal sector (Syeda 2015).

In addition to these national flagship initiatives, Pakistan features numerous small and/or subnational initiatives, an even near comprehensive mapping of which would exceed the scope of this report by far. For example, the 18th constitutional amendment and consensus on the 7th National Finance Commission award (2009-2010) have delegated considerable responsibility for the administration and implementation of social protection to the provincial level. This creates an ongoing challenge for coordination between federal and provincial authorities and programmes (Shah 2012).

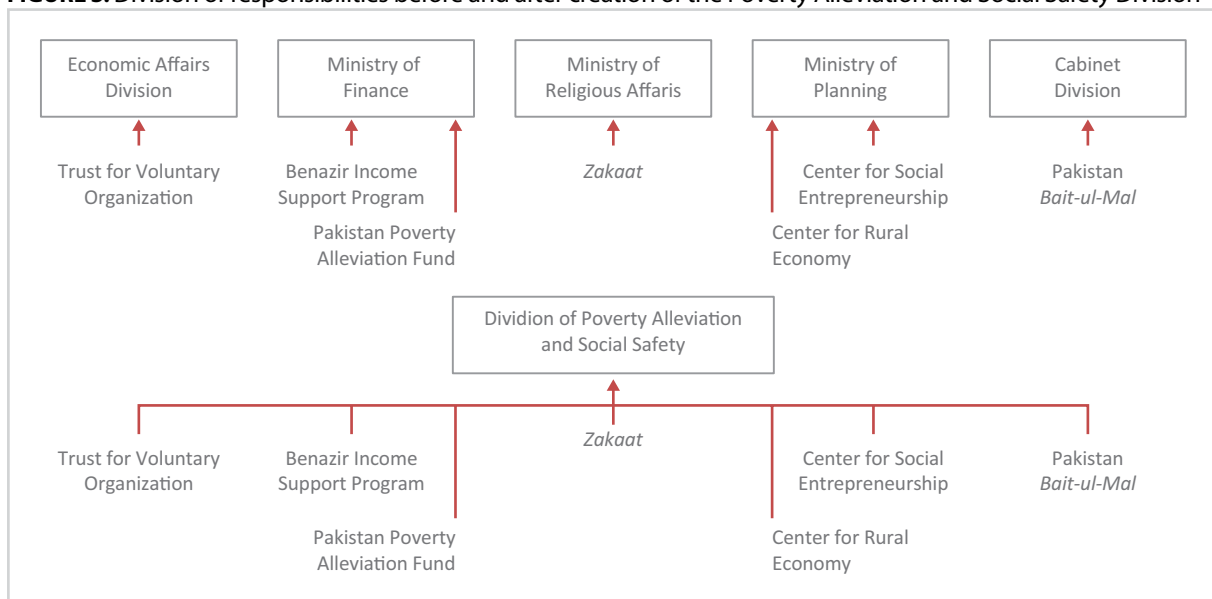
According to the *Ehsaas* strategy's policy document, Pakistan features a total of 198 safety net institutions/programmes. Previously, this multitude of initiatives and stakeholders led to a large degree of fragmentation of Pakistan's social protection system (Government of Pakistan 2019). To address fragmentation and promote policy coherence among social protection programmes and actors in Pakistan, the government has recently overhauled its social protection system with two major developments.

7. The NSER is Pakistan's national social registry. It was initiated by the 2010 Poverty Card Survey that was conducted ahead of the rollout of the BISP (see Box 1).

First, it created the Poverty Alleviation and Social Safety Division. This new government branch oversees and coordinates programmes under one umbrella. Figure 3 visualises the organisation of important social protection actors and programmes before and after its creation (ibid.).

Second, on 27 March 2019, the Government of Pakistan launched *Ehsaas*, a multi-stakeholder umbrella initiative establishing a national social protection strategy and aligning a constantly evolving total of currently 134 policy initiatives under its framework (Arruda et al. 2020). As a 'whole-of-government approach', 34 agencies of the federal government and all federating units are tasked to implement *Ehsaas* under the auspices of the Poverty Alleviation and Social Safety Division. Furthermore, transparency is one of the strategy's governing principles. *Ehsaas* is based on four pillars: (i) to provide effective and comprehensive safety nets for marginalised and vulnerable people; (ii) to create livelihoods and jobs for poor people; (iii) to invest in people for human capital formation; and (iv) to improve areas that are lagging behind the rest. The target group for *Ehsaas* includes those living in extreme poverty, orphans, widows, homeless people, people with disabilities, jobless people, poor farmers, labourers, those who are sick and undernourished, students from low-income backgrounds, poor women and elderly citizens (Government of Pakistan 2019). In total, the initiatives under *Ehsaas* span the entirety of the social protection landscape. Furthermore, programme design under *Ehsaas* puts special emphasis on gender- and child-sensitive features (Government of Pakistan 2019).

**FIGURE 3.** Division of responsibilities before and after creation of the Poverty Alleviation and Social Safety Division



Source: Government of Pakistan (2019).

For all the breadth of different initiatives, the current crisis has still exposed considerable gaps in Pakistan's regular social protection system. As mentioned above, the country's social assistance programmes target poverty and aim to cover only the poorest quintile of the population. At the same time, social insurance has extremely limited coverage and does not extend beyond the formal sector. For example, only 3.5 per cent of the working-age population in Pakistan contribute to a pension scheme (ILO 2017), and the Employees Old-Age Benefits Institution is not open to self-employed or (other) informal workers. However, informal workers



make up over 80 per cent of Pakistan's workforce of 72 million people (ILO 2020). With social assistance limited to the poorest, and social insurance only covering the very richest, this creates a large (marginally) non-poor population—the so-called 'missing middle'—who are not covered by regular social protection. Since they are not part of beneficiary registries, and the rigidity of most social registries does not do justice to the highly volatile livelihoods they earn, they remain practically 'invisible' for social protection (ILO n.d.). This gap in the regular social protection landscape must be addressed and is discussed in more detail in Chapter 5. In the face of the current crisis, the large missing middle in Pakistan poses a challenge for social protection and an urgent need for the horizontal (coverage) expansion of social protection programmes.

## 2.2 SOCIAL PROTECTION IN THE COVID-19 CRISIS

The COVID-19 crisis required policymakers to adapt existing systems rapidly to meet the new challenges facing all aspects of public policy. In many ways, the current crisis presented (and continues to present) them with an extraordinary situation requiring extraordinary measures. This is particularly true for social protection.

First, the current crisis does not just represent an economic shock; it is first of all a public health emergency. Furthermore, this emergency is not locally constrained, as might be the case with a famine or locust plague, but extends across Pakistan, South Asia and the whole globe. Together, this has created a paradoxical situation for policymakers:

- they had to contain the spread of the pandemic through lockdown measures but mitigate the resulting immediate, adverse effects across all domains of public life;<sup>8</sup>
- they had to induce people to adopt precautionary measures such as social distancing but save jobs and livelihoods; and
- they had to reach large numbers of affected people but avoid having them scramble for resources or crowd at pick-up or registration points.

Social protection is a key way to resolve the second of these challenges, but it had to find **tweaks** in the way in which services are carried out and expand their **comprehensiveness** to meet the other two. Specifically, social protection complements lockdowns by allowing the population to better comply with public health measures and by safeguarding subsistence in times of economic hardship. As such, it is integral to attenuating the short-term trade-off between lives and livelihoods. At the same time, social protection had to find ways to reach out to masses of people within a very short time-frame, all while respecting public health concerns and forestalling civil unrest that might arise from delayed or insufficient coverage.

Furthermore, the economic shock in the wake of the pandemic is: **(i) large; (ii) widespread; and (iii) persistent:**

Due to the pandemic, public life essentially came to a halt. Contrary to typical economic crises, the current crisis features a demand **and** a supply shock. Moreover, both are intertwined: business closures or impediments (the supply shock) negatively affect incomes, adding to the

8. This is, of course, not to discount any further adverse impacts on private life such as an increase in domestic abuse against women (UN Women 2020; UN Department of Global Communications 2020).

slump in demand (globally and nationally) from lockdown measures. This, in turn, particularly threatens the existence of many small and medium-sized enterprises, which make up 78 per cent of the non-agricultural labour force in Pakistan and generate over 30 per cent of GDP (Khan 2020). The size of the shock the crisis is generating means that social protection programmes need to **expand vertically** (i.e. increase benefit amounts from normal times) to adequately mitigate the burden on vulnerable populations.

The current crisis is widespread in that it represents perhaps the largest covariate shock imaginable: all segments of the populations of countries across all continents are affected by it, and within three weeks of the World Health Organization declaring COVID-19 a pandemic, over half of the world's population was in lockdown (Sandford 2020). The fact that the disease does not discriminate between social classes does not mean that the crisis affects all segments of society equally though: it is those without savings or a safety net to fall back on, those living in the cramped urban slums of Karachi or Lahore, and those earning informal livelihoods who are most vulnerable to the pandemic and the ensuing economic ramifications. The last group in particular poses a challenge for social protection. As discussed in Section 2.1, informal workers often belong to a missing middle that is almost 'invisible' to social protection systems (ILO n.d.). Therefore, these systems have to **expand horizontally** (i.e. increase coverage) to ensure that large parts of the affected population are covered by emergency measures.

Lastly, the COVID-19 shock is feared to be persistent. Its economic impacts are felt across the globe and might trigger a global financial shock that is felt in Pakistan through capital withdrawals, more arduous credit conditions and a depreciation of the exchange rate. Furthermore, spillovers or 'second-round effects' from struggling industrialised economies might mean that Pakistan will enter a protracted recession made worse by its vulnerable economic starting position. As a result, the World Bank (2020c) expects the poverty impacts discussed in Chapter 1 to present long-lasting setbacks. For social protection, this signifies that adaptations made during the crisis cannot be limited to the time of lockdowns or while the pandemic poses an acute threat alone, but must present **sustainable changes** in social protection systems.

For these social protection measures to be effective, speed is the decisive factor. With that, it is worth revisiting some common discussions around the design of social protection initiatives in the light of the crisis.<sup>9</sup> A first debate is that of the degree of decentralisation and devolution in the administration and implementation of social protection. As presented in Section 2.1, Pakistan features a high degree of decentralisation of social protection, with provinces running numerous programmes of their own and representing an important stakeholder even for the national *Ehsaas* framework. As such, it is legitimate to consider on what level the social protection response to the crisis should be administered. Provinces or even subsidiary levels might find it easier to quickly identify vulnerable and particularly affected households and might already have the required personnel on the ground to implement the crisis response. At the same time, the pandemic did not just affect parts of Pakistan but caused an economic crisis across the country. Given the extent of the crisis, capacity (monetary, infrastructural and human resources) is a crucial factor for a swift, broad and adequate response. Furthermore, it is not just an ethical imperative within the protective mandate of the State but also a matter of public (health) interest that the social protection response is not heterogenous across the country. Providing all affected citizens

---

9. By no means is this discussion meant to be exhaustive or a definitive judgement in favour of either side of the debates we present. Rather, we aim to offer some considerations cautioning readers not to judge the crisis response by the same standards with which they would evaluate regular initiatives.

with the protection they need during the crisis and ensuring that lockdowns can be adhered to everywhere might thus favour a centralised, nationally coordinated and implemented response.

A similar concern might pertain to duplication and fragmentation of social protection during the crisis. A top-down implementation of emergency measures might inadequately consider existing provincial initiatives, either giving rise to inefficiency as efforts are spread over several initiatives or providing an adverse incentive for provinces not to hold a stake in the social protection response.<sup>10</sup> This could prove especially problematic when national emergency programmes are phased out again in the coming months and emergency measures transition (back) into regular programmes. However, the coordination of activities within Pakistan's social protection landscape is an ongoing area of work even in regular times. Under the time pressure governing the social protection response to the pandemic, the benefits of swift relief might outweigh the inefficiency costs and future risks of a lack of coordination with existing subsidiary initiatives.

A related argument can be made about the issue of targeting the social protection response to the crisis. Targeting efforts have a tendency to already be inaccurate during regular times (Kidd and Athias 2020), and this is only further exacerbated during the crisis by an uncertain distribution of impacts, let alone the high-frequency microdata to conduct the necessary analysis. The benefits of minimising inclusion errors thus have to be very carefully weighed against the delay in response that strict targeting involves and the risk of excluding particularly affected households in a time of dire need.<sup>11</sup>

Lastly, the question of whether to provide relief in kind or in cash is an interesting one in the current situation. Supply constraints might mean that a transfer of cash does not provide the intended security during the crisis. For example, reports from the early days of the lockdown in Pakistan speak of shortages in the supply of essential commodities and hygiene equipment, as well as price hikes in response to the excess demand (Adnan 2020a). In a situation like this, the issue policymakers face is thus twofold: they have to provide households with social assistance to make up for income losses during the crisis but also ensure that these households have **access** to essential commodities if assistance is provided in cash. There was thus an equivalent need for supply-side interventions during the crisis in Pakistan. This was met by ramping up support to the Utility Stores Corporation selling commodities at subsidised prices in local shops, wheat procurement policies and price interventions (IMF 2020a). At the same time, there is a trade-off between the ability to deliver cash remotely and thus very quickly in a situation where both speed and social distancing are key and the issue of low levels of bank account ownership that complicate delivery. Furthermore, cash can be paid as a one-off transfer covering multiple months of benefits (see Section 3.1), whereas perishable commodities such as food might have to be delivered on a regularly recurring basis. This increases the administrative effort and is inconducive to social distancing efforts.

---

10. This concern is discussed in somewhat more detail in Chapter 5 of this report and the annex of IPC-IG and UNICEF ROSA (2020).

11. A somewhat ambiguous point here is that of registration efforts. Larger coverage might be the result of a greater administrative effort to enrol beneficiaries, particularly in a country such as Pakistan without a programme with broad coverage past the poorest quintile and low levels of financial inclusion among the informal population. At the same time, there are likely economies of scale when registering large parts of the population instead of targeting specific groups, and marginal costs are decreasing. Furthermore, this shows the importance of the financial inclusion strategy of the Government of Pakistan, which aims to endow at least half of the population with bank or mobile money accounts by the end of 2020 (The News 2019). With widespread access to bank accounts and/or social protection reaching into the middle class from both ends of the income distribution (social assistance extending from the poorest and social insurance from the richest quantiles), large-scale registration efforts in emergency situations require far less bureaucracy and can be conducted remotely more easily.

In summary, emergency social protection efforts during the crisis faced a different set of priorities from regular social protection, against which their adequacy should be evaluated. Most importantly, they operated under enormous time pressure with swift and seamless implementation as the two governing imperatives of the response. However, this is not to say that established principles of good (social protection) service delivery hold no value in the current situation. Complementarity—i.e. the use of existing infrastructure (such as social registries) and programmes to provide a more efficient response—is also an especially important element of shock-responsive social protection. As such, our following analysis of EEC, the federal government’s flagship social protection response to the pandemic, is limited in that it cannot account for the multitude of (potentially complementary) provincial initiatives that are in place during the current crisis. We thus discuss some more caveats of the interplay between federal and provincial initiatives and the need for collaboration between social protection actors at both levels in our look ahead in Chapter 5. However, for the reasons described above, we feel there is still considerable value in providing even a somewhat isolated but in-depth analysis of the flagship response during the pandemic in the following two chapters.<sup>12</sup>

### **3 ADEQUACY OF PAKISTAN’S SOCIAL PROTECTION RESPONSE: EHSAA’S EMERGENCY CASH**

#### **3.1 PROGRAMME DESIGN**

##### **Overall goal and set-up of the programme**

The EEC programme is designed to cover the 16.9 million most vulnerable households in Pakistan (49 per cent of the country’s population).<sup>13</sup> It has a total budget of PKR203 billion (USD1.21 billion, or about 0.59 per cent of GDP) (Nishtar 2020e).<sup>14</sup> Each household receives a one-time payment of PKR12,000 to help them buy food for their families for 4 months. The programme is divided into four categories and leverages existing infrastructure established by the BISP, the broader *Ehsaas* programme and the NSER (Nadeem and Zaidi 2020).

EEC started by drawing on its existing beneficiary database of EK recipients in the NSER. These households exhibit poverty scores below 16.7 and were deemed those most in need of social assistance. However, EEC has rapidly evolved to cover other groups of beneficiaries beyond regular recipients of EK, and it currently operates a design benefiting people belonging to five different categories.

12. For a more comprehensive discussion of Pakistan’s social protection response to the crisis beyond EEC, see the annex of IPC-IG and UNICEF ROSA (2020).

13. Using average household size from the HIES 2015-2016 and the latest population data for 2019 from UNDESA (2019). Actual coverage might be higher because EEC is paid mainly to the poorest two quintiles, where household size is above the national average. It should be remembered though that EEC pays a flat benefit amount irrespective of household size. As coverage might thus increase with larger households, the adequacy of the benefit value would decrease.

14. This figure represents the total value of benefits payable to 16.9 million beneficiaries. It does not, however, regard any contributions from donations to the Prime Minister’s Covid Relief Fund that lift some of the financial burden from the government.

Category 1 consists of existing beneficiaries from the EK programme exhibiting proxy means test scores of 0 to 16.7. Because these people were already receiving the EK cash benefit, EEC represents a vertical expansion for them (i.e. an increase in the value of the benefit they receive). Furthermore, benefit amounts covering 4 months have been paid in advance. More specifically, these households that were already receiving PKR2,000 per month under EK saw a PKR1,000 top-up of their monthly amounts under EEC and received the total amount of PKR12,000 (corresponding to 4 months of topped-up EK benefits for April to July) in advance as a lump sum transfer. Beneficiaries in this category did not have to apply to receive the advanced payment inclusive of the top-up, since they were already registered under EK, and their lump sum payment was made via the same payment modality they regularly use to collect their EK benefits. However, they had to register their claim through the same SMS campaign as is detailed for the remaining categories below.

**BOX 1. *Ehsaas Kafaalat* and the NSER**

The *Ehsaas* strategy discussed in Section 2.1 also rolled out new programmes. One of these is *Ehsaas Kafaalat* (EK) which evolved out of the BISP (Government of Pakistan 2020b). EEC is using much of the same infrastructure established by these programmes.

EK started by providing a cash benefit to existing BISP beneficiaries and made programmatic changes to include new beneficiaries. Specifically, eligible beneficiaries under EK are destitute women, with all existing eligible BISP beneficiaries covered and an additional 1 million families in 70 districts identified under a first wave of new enrolment. More beneficiaries from the remaining districts are envisioned to be covered through desk registrations over the course of 2020 and an update of the household survey used. In total, EK plans to expand coverage to a total of 7 million poor households. Some of the most important changes compared to the BISP include monthly (instead of quarterly) payments, an increased benefit amount, fully biometric payments, the opening of a bank account for each beneficiary, and modifications in beneficiary identification (Government of Pakistan 2020d).

Regarding beneficiary identification, it is important to note that both the BISP and EK operate based on the NSER, which is Pakistan's main unified registry, established by the national Poverty Score Card Survey in 2010 and covering 27 million households or roughly 85 per cent of the population at this point (Government of Pakistan 2020f). However, this survey was executed by pen and paper and did not provide for any *ex-post* updating of beneficiary data—for example, in the event of a change in the socio-economic situation of a household, or post-survey registration through web- or desk-based registration of households missed in the 2010 survey round. This means that an update of beneficiary information as is currently under way through a new, digital survey with provisions for ongoing registration and desk-based enrolment is a pressing need. Furthermore, EK now uses data analytics on a number of profiling criteria (such as government employment, tax data, car ownership and travel history) that serve as exclusion criteria to address the BISP's high inclusion errors (Government of Pakistan 2020d).

Categories 2–5 consist of households that were not previously enrolled in the EK programme. Thus, these categories can either be considered part of a new programme or as a form of horizontal expansion of EK (inclusion of new beneficiaries). The value paid to beneficiaries in categories 2–5 also amounts to PKR12,000 paid as a lump sum, equivalent to PKR3,000 per month for a period of 4 months. Just like in the case of Category 1, beneficiaries in categories 2, 3, 4 and 5 thus receive the full benefit amount in a single upfront payment.

In particular, EEC categories 2–5 consist of the following groups:

- Category 2 targets households registered in the NSER that are not regular beneficiaries of EK, as they have poverty scores above the 16.7 threshold and/or live in households without an eligible female recipient of EK. For these households, the inclusion cut-off was adjusted upwards to include all households registered in the NSER with poverty scores

of 38 or lower. Although their eligibility is determined by existing NSER data, they had to register their claim by sending an SMS to a government number, stating their national ID number (Computerised National Identity Card—CNIC), and their eligibility was checked against the profiling criteria described in Box 2. Regardless of whether their application for inclusion in EEC was successful or not, applicants received an SMS informing them of the outcome of their application. Furthermore, enrolment included having to undertake biometric identification to enable the withdrawal of the benefit. This was facilitated through mobile biometric registration points to avoid crowding.

- Category 3 includes households not registered in the NSER but deemed equally deserving as beneficiaries in the first two categories. As highlighted in Box 1, the NSER is not comprehensive in that it is in the process of receiving its first update in a decade and had missed out about 15 per cent of the population in the initial Poverty Score Card survey. For this reason, identification of these households hinged on prospective Category 3 recipients making a claim for inclusion in EEC by sending an SMS with their CNIC number. Upon verification that these beneficiaries were not part of the NSER, lists of potentially eligible beneficiaries were forwarded to provincial governments. Provincial governments then used data analytics leveraging a number of profiling criteria (see Box 2) and previously determined quotas and cut-offs for each district to create lists of eligible beneficiaries in each district. Since the allocation of funds to provinces for beneficiaries in Category 3 varied according to population size and provinces had the discretion to choose different eligibility thresholds for each district to meet the stipulated quotas of beneficiaries to include, the exact cut-offs for inclusion in EEC under Category 3 varied across provinces and districts.<sup>15</sup> Upon confirmation of eligibility via an SMS, biometric registration and benefit withdrawal proceeded in line with Category 2. Furthermore, the Punjab province's social protection programme in response to the crisis which was announced to cover up to 2.5 million beneficiaries not eligible for EEC was merged with EEC at a later point (Category 3-A in Tables 4 and 5). It follows the same rules and procedures as the federal programme but is funded through the provincial budget (Government of Punjab 2020; Government of Pakistan 2020c).
- Category 4, also known as 'Ehsaas Labour', was not originally announced as part of EEC and was born out of the need to provide coverage to workers who lost their livelihoods during the crisis, in addition to those already covered under categories 1–3.<sup>16</sup> Applications for this category opened in early May and ran until 25 May through a designated web portal collecting information on the claimed loss of occupation due to the lockdown. Upon verification of this information at the provincial level and application of the same data analytics as the previous categories, successful applicants received their benefits through the same payment mechanism as those covered under EEC categories 1–3.
- Category 5 constitutes the so-called 'spillover stream'. Initially, provinces had a fixed capacity to enrol beneficiaries in categories 2 and 3 that was proportional to their

15. Population-based allocations and quotas for categories 2 and 3 were abolished in June to include all eligible applicants for these categories (see Category 5).

16. Enrolment in Category 4 of EEC is, therefore, mutually exclusive of receiving a benefit through one of the first three categories (Gulrez 2020b).

population size. However, this resulted in eligible applicants having to be turned down due to capacity constraints. Category 5, introduced in June, abolished these limitations in favour of including all applicants eligible for categories 2 and 3.

To discern between deserving and undeserving beneficiaries, EEC employs data analytics to check potential beneficiaries in all categories against a number of profiling criteria. These are especially important for prospective Category 3 recipients, as they are not covered in the NSER and hence do not have a poverty score already assigned to them. These criteria are described in more detail in Box 2.

**BOX 2.** Profiling criteria for prospective EEC beneficiaries

To avoid inclusion errors and verify whether they are deserving of assistance under EEC, all beneficiaries undergo an analysis based on profiling criteria. These characteristics act as exclusion criteria—i.e. only households that do not meet any of them are eligible for EEC, irrespective of the category they belong to or the poverty score the NSER might indicate for them. As such, not raising any red flags concerning these criteria is a necessary but not sufficient criterion for eligibility under EEC. In anticipation of the transition from the BISP to EK, a similar exercise was conducted among the roughly 5 million existing BISP beneficiaries in December 2019. It found substantial inclusion errors and removed a total of 820,000 beneficiaries from the BISP roster, who now make up beneficiaries in Category 1. The profiling criteria applied exclude women or their spouses who: (i) have travelled abroad; (ii) have one or more vehicles registered in their name; (iii) have monthly telephone bills (either landline or mobile) of on average of over PKR1,000; (iv) have applied for a passport via an executive centre; (v) belong to a family where three or more members applied for their CNIC with executive fees; or (vi) are government employees at the federal or provincial level or work for the national railways, the post office or the BISP (Nistar 2020b).

**TABLE 4.** Breakdown of EEC enrolment by category of beneficiary and province

Total number of enrolled beneficiaries							
Province	Category 1	Category 2	Category 3	Category 3-A	Category 4	Category 5	ALL
Azad Jammu and Kashmir	81,641 (0.48%)	75,851 (0.45%)	64,879 (0.38%)	n.a.	11,352 (0.07%)	38,885 (0.23%)	272,608 (1.61%)
Balochistan	253,209 (1.50%)	231,476 (1.37%)	200,215 (1.18%)	n.a.	48,175 (0.28%)	66,372 (0.39%)	799,447 (4.72%)
Gilgit-Baltistan	37,560 (0.22%)	27,995 (0.17%)	24,655 (0.15%)	n.a.	12,005 (0.07%)	22,318 (0.13%)	124,533 (0.74%)
Islamabad	7,277 (0.04%)	34,817 (0.21%)	32,872 (0.19%)	n.a.	3,693 (0.02%)	715 (0.01%)	79,374 (0.47%)
Khyber Pakhtunkhwa	965,584 (5.70%)	666,158 (3.93%)	582,001 (3.44%)	n.a.	198,343 (1.17%)	497,446 (2.94%)	2,909,532 (17.18%)
Punjab	1,804,907 (10.66%)	2,062,926 (12.18%)	1,794,907 (10.60%)	699,964 (4.13%)	452,059 (2.67%)	890,207 (5.26%)	7,704,970 (45.50%)
Sindh	1,885,409 (11.13%)	897,950 (5.30%)	784,963 (4.64%)	n.a.	535,323 (3.16%)	940,734 (5.56%)	5,044,379 (29.79%)
TOTAL	5,035,587 (29.74%)	3,997,173 (23.60%)	3,484,492 (20.58%)	699,964 (4.13%)	1,260,950 (7.45%)	2,456,677 (14.51%)	16,934,843 (100%)

Note: Percentage share of total enrolment in brackets.

Source: Government of Pakistan (2020c).

For all beneficiaries, cash can be collected from over 18,000 retail shops and automated teller machines (ATMs) of two partner banks upon biometric verification. The process included provisions to allow for social distancing and hygiene demands to be met (Nishtar 2020b).

In summary, **EEC Category 1 promotes the vertical expansion** of EK by topping up its monthly PKR2,000 benefit with an extra PKR1,000 paid as a lump sum for 4 months in advance. Beneficiaries in categories 2–5, on the other hand, represent a horizontal expansion of social protection through EEC. The differences between the different EEC categories, and the implementation status of benefit roll-out are summarised in Table 4, while Table 5 contains the full provincial breakdown of identified beneficiaries.<sup>17</sup>

Across all streams, EEC aims to cover 49 per cent of the total population, with 87 per cent of beneficiaries already reached. The horizontal expansion covering new beneficiaries under categories 2–5 currently reaches about a quarter of the total population.

In terms of **design tweaks**, Category 1 beneficiaries have had payments of 4 months' worth of benefits advanced such that they can withdraw a lump sum value of PKR12,000. For beneficiaries in the remaining categories, one might argue that there was also an advance (as if they had been granted a monthly benefit of PKR3,000 per month over 4 months and, on top of that, given the right to withdraw the sum in advance). However, we refrain from such an interpretation, since none of the newly enrolled beneficiaries ever had an expectation of receiving any monthly payments in the first place. We, therefore, rather classify this as a one-off payment meant to provide for beneficiaries' needs over a period of 4 months.

Yet inclusion of categories 2–5 necessitated specific design tweaks regarding the selection, enrolment and payment process. Beneficiaries in Category 1 were already selected through EK prior to the launch of EEC, and they already had their biometric credentials registered and an established set-up for withdrawing their monthly benefits. The remaining categories, however, had none of this in place. Therefore, the programme had to make provisions to achieve this in a way that was sensitive to the social distancing mandated during the pandemic. Such measures included expanding the registration from desk-based, as was the case with EK before COVID-19, towards SMS- and web-based formats and conducting biometric registration through mobile vans (Gulrez 2020a), and the regular payment points for EK were limited to Point of Sales (POS) agents, biometric automated teller machines and designated bank branches. However, EEC has added to these another 17,000 payment points that were established countrywide with special protective measures to facilitate the beneficiaries and avoid the spread of coronavirus (Mati 2020). Moreover, the State Bank of Pakistan printed fresh notes deployed to the payment sites to reduce the risk of transmission of coronavirus (Dawn 2020a).

---

17. Figures reported are taken from the Government of Pakistan (2020c) as of 16 July 2020. This was after registration was complete and disbursement ongoing. However, there was a discrepancy between the announced final coverage of 16,163,096 eligible beneficiaries (Nishtar 2020d) and 15,259,368 eligible beneficiaries reported on the official Ehsaas Dashboard that was likely due to ongoing enrolment under Category 5. Additionally, a press conference held just as this report was being finalised announced an extension of coverage to 16.9 million households, corresponding to a budget of PKR203 billion (Nishtar 2020e). Wherever possible, we thus use the latter figure for our calculations. For the purposes of a breakdown by category, disbursement status or subnational analysis, we have to rely on the official figures from the Government of Pakistan (2020c), which, as of 17 July, still reported coverage as the abovementioned 15.3 million enrolled households.



**TABLE 5.** EEC categories

	Eligibility criteria	Total number of beneficiaries served and eligible beneficiaries (% total enrolment in brackets; all data as of 31 August)	Total amount disbursed and budget (PKR billions) <sup>18</sup>	Type of COVID-19 response		Design tweak	
				Horizontal expansion	Vertical expansion	Advancement of payment	Automatic eligibility
Category 1	Regular EK beneficiaries (poverty score of 16.7 or lower)	4.64 million households (5m – 30%)	56.95 (60.43); EEC-specific only: 18.55 (20.14)	NO	Through SMS and existing payment infrastructure	YES	YES, but SMS claim needed to be sent
Category 2	Registered in the NSER but not an EK beneficiary, with a poverty score of 38 or lower	3.60 million households (4m – 24%)	43.24 (47.97)	Through SMS and NSER	NO	One-off	NO
Category 3	Not registered in NSER but fulfilling profiling-based check at district level	3.11 million households (3.5m – 21%)	37.28 (41.81)	Through SMS and district lists	NO	One-off	NO
Category 3-A	Beneficiaries from merger with Punjab province programme	0.58 million households (0.7m – 4%)	6.92 (8.40)	Through Punjab government emergency programme	NO	One-off	NO
Category 4	Not covered by categories 1–3 but lost their livelihoods due to the COVID-19 lockdown, subject to case analysis based on profiling criteria and information provided in a web portal	1.17 million households (1.3m – 7%),	14.10 (15.13); government only: 9.20 (10.23)	Through web portal application	NO	One-off	NO
Category 5	Spillovers from excess applications to categories 2 and 3	1.56 million households (2.5m – 15%)	18.75 (29.48)	Through Category 2 and Category 3 applications	NO	One-off	NO
TOTAL		14.66 million households (16.9m – 100%)	175.94 (total: 203.22; federal government budget: 189.92), EEC-specific government budget: 149.63				

18. For Category 1, we distinguish between the total amount set aside for payments under EEC in general (i.e. including the amount normally paid under EK) and the emergency-specific benefit amount (i.e. only including the amount that is paid out in excess of regular EK benefits). Furthermore, as Category 4 is funded by the government and donors, we report the total budget for EEC payments and the value net of PKR4.9 billion in donations as of 25 August 2020 (Alam 2020). The federal government budget value also does not include Category 3-A, which is financed by Punjab's provincial government.

### 3.2 ADEQUACY OF BENEFIT VALUE

In Section 1, we briefly discussed the economic ramifications of the COVID-19 pandemic and the ensuing economic crisis. The nationwide lockdown imposed in Pakistan from 24 March had a significant effect on economic activity across sectors and meant a loss of income particularly for vulnerable people. EEC was, therefore, initiated to help make up for part of this income loss and ensure that essential needs could still be covered.

Among the people receiving EEC, we need to discern between two broad groups: previous recipients of EK, for whom EEC means a 50 per cent increase in their monthly transfer value over 4 months (paid as an upfront lump sum), and new recipients for whom EEC means a one-off transfer of PKR12,000. As the transfer is meant to cover losses that households incur during the crisis, it is first important to put these values into perspective. A benefit amount of, on average, PKR3,000 covers a little over 8 per cent of average monthly household income in Pakistan. However, EEC targets those particularly vulnerable to the crisis due to precarious economic situations, and beneficiaries should thus be expected to be at the lower end of the income distribution. With currently 14.66 million beneficiaries reached across all categories (see Table 4) and an assumed average household size of 6.31 members (Pakistan Bureau of Statistics 2016), EEC has benefited around 43 per cent of households in Pakistan to date and should thus mainly cover the two lowest income quintiles. For the poorest 20 per cent in Pakistan, EEC covers 15.2 per cent of monthly household income taken from the Household Income and Expenditure Survey (HIES) 2015-2016, while this share is 8.4 per cent for the poorest 40 per cent.<sup>19</sup> How adequate is this response in light of the crisis? This section will shed light on the adequacy of benefit values from several viewpoints.

Those particularly affected by the crisis are informal workers. This is because they often work in sectors heavily affected by the crisis and are disproportionately often own-account workers or employed in microenterprises. As a consequence, they are particularly vulnerable to a partial or complete loss of income during the crisis. EEC acknowledges this through a progressive targeting mechanism, allowing for the coverage of at least part of the informal population (see Section 3.3) and the introduction of a fourth programme stream meant to cover those who have lost their jobs during the crisis.

When Pakistan went into lockdown on 24 March, many households, particularly those with workers earning informal or unstable incomes, saw at least 46 consecutive days of severely diminished income opportunities.<sup>20</sup> In Table 6, we attempt to estimate the share of lost informal income during this lockdown period that was covered by EEC. For this, it is important to discern between sectors differently affected by the crisis. The International Labour Organization (ILO 2020) assessed how workers in different job sectors vary in their

19. Importantly though, monthly household income includes transfers received for existing EK beneficiaries. Therefore, these recipients only see an increase of PKR1,000 in their monthly incomes through EEC. Since our data come from the HIES 2015-2016, when the programme was still running under its old version, the BISP, with lower benefit values, we cannot accurately ascertain the percentage value by which this increases household income for existing recipients. However, we can conclude that EEC benefit values will actually constitute a lower increase in monthly income for Category 1 recipients.

20. The imposition of local lockdowns after the Prime Minister declared a general return from full lockdown starting on 9 May and imperfect adherence to restrictions create variations in the exact number of days EEC beneficiaries spent in full lockdown. However, based on the generally observed lockdown period of 24 March to 9 May for the vast majority of Pakistan, we can stipulate that most EEC beneficiaries should have experienced at least 46 days of full lockdown.

exposure to risks related to the COVID-19 crisis, classifying them into five groups of risk:<sup>21</sup> (a) high risk; (b) medium-high risk; (c) medium risk; (d) medium-low risk; and (e) low risk. For each of these, Table 6 captures: (i) how large the groups at risk are; (ii) what percentage of these groups belong to the informal sector; (iii) the share of labour income expected to be lost by each group during the lockdown, and the respective absolute number of people to endure losses of that magnitude; and (iv) the average value in local currency units (LCU) of the income losses expected for each group. The last column of Table 6 expresses our estimations of how much of the income projected to be lost for each group could be covered through EEC benefits.<sup>22, 23</sup>

**TABLE 6.** Estimated coverage of income losses through EEC

Sector by risk	Total employment (2020, '000s)	Informal employment (2020, '000s, shares in brackets)	Labour income loss and number affected	Income lost (full lockdown, PKR)	Lost income covered
			Full lockdown		
Total	72,490	59,152 (82%)			
High	25,830	20,431 (79%)	90%   20,431	21,358	56%
Medium-High	7,380	6,095 (83%)	90%   6,095	29,515	41%
Medium	6,505	5,734 (88%)	80%   5,734	34,702	35%
Medium-Low	26,019	25,837 (99%)	70%   25,837	10,352	116%
Low	6,756	1,056 (16%)	70%   817	29,624	41%

Source: Own calculations based on ILO (2020) and the HIES 2015-2016.

Table 6 indicates that about a third of informal employment in Pakistan pertains to sectors that are heavily affected by the crisis, underlining the potential need for urgent support through social protection for a population estimated to exceed 20 million people. Moreover, a further 6 million people work in sectors with medium-high exposure to the crisis. Under a month of full lockdown as introduced by Pakistan, the International Labour Organization assumes that labour incomes in these sectors decrease by 90 per cent. In addition, the impact on the agricultural sector (medium-low risk) affects over 25 million informal workers assumed to see a reduction in their labour incomes of 70 per cent. From these figures, we estimate the income lost by calculating the average wage for

21. In detail, their classifications are as follows: high-risk sectors: wholesale and retail trade; repair of motor vehicles and motorcycles; manufacturing; accommodation and food services; real estate; business and administrative activities; medium-high-risk sectors: arts, entertainment and recreation, and other services (including domestic workers separately identified here); transport, storage and communication; medium-risk sectors: construction; financial and insurance services; mining and quarrying; low-medium-risk sectors: agriculture, forestry and fishing; low-risk sectors: human health and social work activities; education; utilities; public administration and defence; and compulsory social security (ILO 2020).

22. Our focus in this exercise lies on the so-called 'missing middle': people in (informal) employment who thus do not fall under the regular poverty score threshold to receive EK but at the same time typically do not have access to social insurance. They should constitute a large proportion of beneficiaries under categories 2–5 of EEC for whom the transfer means an increase in household income of PKR12,000.

23. Note that, as opposed to estimates from other sources (most notably those in PIDE (2020)), Table 6 does not assume or calculate the number of jobs lost during the pandemic. Rather, it takes the number of vulnerable jobs in the informal sector and assumes that people are (only) losing a (major) proportion of their income but not their entire livelihood. This is consistent with the conjecture by the International Labour Organization (ILO 2020) that when the going gets tough, households will do whatever it takes to survive and still earn some income rather than adhere to precautionary health measures. Calculating incomes losses instead of 'layoffs' might also be more appropriate in the case of informal workers, as the latter insinuates that there would have to be some sort of 're-hiring' process after lockdowns have ended to return people to work. This would be a somewhat inaccurate representation of the informal livelihoods earned in many sectors—for example, as street vendors.

each sector by risk based on the Pakistan Institute of Development Economics (PIDE 2020) and multiplying it by the respective labour income loss expected under a full lockdown. From this, we can obtain estimates of the income loss informal workers incurred in different sectors during a month of lockdown that is covered by EEC.

Depending on the average monthly wages of the respective sector and the severity with which a sector is affected, the share of income losses incurred during the lockdown period covered by EEC range from 35 per cent in the medium-risk sector to over 100 per cent in the agriculturally dominated medium-low-risk sector. For the 20 million workers in highly affected sectors, the PKR12,000 transfer covers a little over half of their labour income lost due to the crisis.<sup>24</sup> However, these numbers come with an element of uncertainty: depending on Pakistan's path back to normality and the restrictions kept in place, incomes for informal labour might continue to be affected even with no general lockdown measures in place and in heterogeneous ways across sectors and regions (see also footnote 18). For example, recent weeks have seen the introduction of two-week local lockdowns (so-called 'smart lockdowns' or 'micro smart lockdowns'), which lasted until 15 August in the case of Sindh (Radio Pakistan 2020). Therefore, the amount of lost income covered, and hence the adequacy of benefit values, is contingent on the speed with which informal labourers can take up their work again in a highly uncertain economic, policy and public health environment.<sup>25</sup>

Another way to assess the adequacy of benefit values is by evaluating the extent to which they achieve the programme's stated goal of providing food security to the poorest households for the duration of 4 months (Nishtar 2020c). In Table 7, we report the monthly household food expenditure of the poorest two quintiles based on HIES 2015-2016 data and 2020 equivalents, taking into account food price inflation (Nadeem and Zaidi 2020). Our calculations show that the full amount of PKR12,000 paid upfront merely covers about 5 weeks (or 34 out of 46 days in full lockdown) of food expenditures of the poorest 20 per cent of households and just about a month (or 29 days) of what the poorest 40 per cent spend.<sup>26</sup> This suggests an inconsistency between the declared programme goal and its benefit values that might need to be addressed in the likely case that economic impacts of the current crisis continue even after general lockdowns are lifted.

24. The figures in the last column of Table 6 assume that the EEC amount only needs to cover the lost income of one informal worker per household. According to the HIES 2015-2016 though, there are an average of 1.93 working adults per household, meaning that EEC might cover a substantially smaller proportion of lost household income. For example, in a household with two informal workers in highly affected sectors, EEC might only cover 28 per cent of household income lost during the full lockdown. Since we cannot make a reasonable assumption about the actual sectoral composition of labour in the household (most importantly, it might be unreasonable to assume that both income earners would work in sectors equally affected by the crisis and earn equal pre-COVID-19 incomes), we conservatively assume that only one person per household loses their income. This should, therefore, represent a lower boundary for the proportion of lost income covered by EEC.

25. We thus also calculate income losses covered under a month of weak and partial lockdown (not reported). For these scenarios, the International Labour Organization (ILO 2020) assumes the following income reductions (weak lockdown/partial lockdown): high and medium-high risk (50 per cent/70 per cent), medium risk (40 per cent/60 per cent), and medium-low and low risk (20 per cent/40 per cent).

26. The implied basis for the stated government goal of providing a benefit "which is enough to provide subsistence nutrition for four months" (Nishtar 2020c) would thus be food consumption of only 28 per cent of the current monthly food consumption of the poorest 20 per cent of households. Given the constrained budget with which the poorest quintile is already operating, it seems like a strong assumption to suppose that the most constrained households can still cut their monthly food expenditure by almost three quarters. This is especially true given that the benefit amount is not adapted according to household size. Alternatively, for the benefit value paid under EEC to be sufficient to cover all food expenditure over the full duration of the general lockdown (46 days), households would need to reduce their food expenditure to 75 per cent of what the poorest households spend.

**TABLE 7.** Monthly food expenditure (inflation adjusted for 2020) and number of weeks covered by the PKR12,000 from EEC

Quintile	Monthly food expenditure (2015-2016, PKR)	Monthly food expenditure (2020, estimated, PKR)	Days covered
1st	8,976	10,542	34
2nd	10,449	12,331	29

Source: Own calculations based on Nadeem and Zaidi (2020) and the HIES 2015-2016.

For these estimates, it should furthermore be noted that EEC pays the same benefit amount irrespective of household size. This means that, even assuming no differences in price levels for households in different parts of Pakistan and equal per capita consumption requirements across beneficiary households, benefits will not provide the same amount of coverage across beneficiaries. Smaller households will find it easier to cover their essential needs than very big households, specifically those with many children. An alternative would be to adapt benefit amounts to household size.

Another method we can use to assess the adequacy of benefit values is comparative evidence—i.e. by comparing EEC with similar initiatives that have been taken in response to the crisis in South Asia and other low- and middle-income countries. Table 14 in the Annex lists a sample of 11 emergency cash transfers (with a total of 25 different programme streams) from eight South Asian and Latin American countries and compares them along a number of dimensions, including benefit values as a share of monthly household income and monthly income of the poorest 20 per cent of the population. A difficulty here is to compare one-off transfers with those initiatives providing recurrent benefits and/or a specified time-frame for which the measure is supposed to last (such as the 4 months of EEC). If we treat one-off transfers as if they were meant to cover 4 months (as is the case for EEC), benefit levels paid through Pakistan’s emergency cash programme appear to be in the middle of the distribution.<sup>27</sup>

### 3.3 ADEQUACY OF COVERAGE

Having discussed the adequacy of benefit values above, we now turn to an analysis of the coverage EEC provides. EEC covers households hosting an estimated 107 million of the country’s 216 million total population (UNDESA 2019), with benefits having been paid to (and hence already benefiting) about 87 per cent of those enrolled. In total, the 16.93 million households enrolled correspond to almost double Pakistan’s population living below the national poverty line (World Bank 2020a).

However, the economic ramifications of the crisis are not just felt by Pakistan’s pre-crisis ‘poor’ population but are affecting incomes across the distribution. How to define ‘adequate coverage’ is, therefore, not a trivial matter in the current context. As a minimum though, coverage should probably include those deemed poor before the crisis, including those who already receive EK and those at particular risk of losing their livelihoods due to the crisis. To provide a rough estimate

27. The median share of average monthly household income covered in our sample is 7.1 per cent, and 17 per cent relative to the average monthly household income of the poorest quintile. For EEC, these shares are 8.4 per cent and 15.2 per cent, respectively (see Table 14).

of this number, we start with the currently enrolled population of EK (5 million). On top of this, we discussed before that there is a large informal population in Pakistan to which coverage might need to be extended: their employment, albeit informal, might render them ineligible for EK due to the poverty score cut-off; however, they are also usually not covered by formal social insurance and are disproportionately in danger of losing their livelihoods during the crisis. The International Labour Organization (ILO 2020) estimates the informal population significantly affected by the crisis to be roughly 59 million. If we assume that each household envisioned to be covered under EEC has an average of 1.93 (informal) income earners (Pakistan Bureau of Statistics 2016), this would leave a little less than half of the significantly affected informal population of Pakistan outside the coverage of EEC.<sup>28</sup> Since payment of benefits has been dragging on for over 4 months now, and Table 4 indicates that there are still about 2.3 million eligible households waiting for their money, effective coverage might currently only reach about 48 per cent of significantly affected informal workers.

Alternatively, we can take so far unpublished estimates from the United Nations Development Programme (UNDP forthcoming) that rely on a COVID-responsive Multidimensional Vulnerability Index (CRMVI) to estimate the total vulnerable population during the crisis. According to the CRMVI, a total of 144 million people in Pakistan are in critical danger from the economic ramifications of the crisis. Using this number, EEC will cover about three quarters of them.

**TABLE 8.** Current enrolment in and coverage of EEC as a share of the vulnerable population by province

Province	Vulnerable population (2020 estimate)	Enrolled in EEC	Covered by EEC	Enrolment (% of vulnerable)	Coverage (% of vulnerable)
National	144,529,900	106,858,859	92,515,535	73.9%	64.0%
Balochistan	10,891,045	5,044,511	4,385,261	46.3%	40.3%
Khyber Pakhtunkhwa	25,273,522	18,359,147	15,537,649	72.6%	61.5%
Punjab	69,021,675	48,618,361	41,287,680	70.4%	59.8%
Sindh	35,368,252	31,830,031	28,752,966	90.0%	81.3%

Note: We distinguish between the population **enrolled** in EEC and those **covered**—i.e. those among the enrolled who have already received their benefits. The CRMVI is not available in a disaggregated manner for the autonomous regions of Gilgit-Baltistan and Azad Jammu and Kashmir, and the Federal Capital Territory, explaining the discrepancy between national figures and those disaggregated by province. When analysing district-level coverage later in this chapter, we use approximations from larger aggregates to interpolate the missing values not reported by UNDP (forthcoming).

Source: Own calculations based on UNDP (forthcoming) and official coverage figures as of 31 August.

28. We do not know what proportion of the informal population existing EK beneficiaries already comprise. However, according to the HIES 2015-2016, households have an average of 1.93 income earners. Using this as the average number of income earners in EK households and furthermore conservatively assuming that all of them are informal labourers significantly affected by the crisis, we arrive at 9.7 million informal labourers significantly impacted that are covered under the vertical expansion of EK under EEC. Under the same assumptions, we can add 23.0 million (11.9 million households from categories 2–5 x 1.93) significantly affected informal workers to our calculation, ending up with roughly 32.7 million significantly impacted workers covered, or 55.4 per cent of the total significantly affected informal population estimated by the International Labour Organization.

To evaluate the adequacy of coverage, it is not enough to estimate totals of coverage, but it is necessary to also regard the adequacy with which coverage is distributed across the country's population in need of assistance. In Table 8, we thus estimate the share of the vulnerable population in each province currently covered by EEC.<sup>29</sup> Nationwide, EEC's enrolment covers three quarters of the vulnerable population, and cash has been paid to 64 per cent of those considered vulnerable using the CRMVI.

The above numbers still leave a significant number of vulnerable people uncovered. A look into the four provinces for which there are both vulnerability and CRMVI data furthermore uncovers heterogeneity in how the different provinces are served by EEC. We estimate that while 90 per cent of vulnerable people are covered by EEC in the province of Sindh, fewer than half are covered in Balochistan. To explore this further, we use geospatial data<sup>30</sup> and district-level EEC data (Government of Pakistan 2020c) to gain insights into the coverage of the programme across Pakistan. Panel A of Figure 4 shows the distribution of enrolled beneficiaries across Pakistan. Consistent with population sizes, most beneficiaries are in the provinces of Punjab and Sindh, with significantly fewer beneficiaries in the more remote provinces. Panel B then turns to the implementation status of EEC and looks at the share of enrolled beneficiaries that have already been paid. Across districts, at least two thirds and up to 95 per cent of beneficiaries have already received their benefits at this point. In particular, programme roll-out is far advanced in Sindh. At the same time, Sindh was the province benefiting most from the abolition of population-based quotas in Category 5, with an increase of 22 per cent relative to the previous coverage cap for categories 2 and 3. It is, therefore, commendable to see payments this advanced in Sindh, although many beneficiaries were added late. However, since the pandemic has been raging for over 5 months now in Pakistan, the observation that in some districts one in every three beneficiary households has not yet received their cash is concerning and requires swift action. This is especially true for the heavily populated areas in northern Punjab where implementation seems to be lagging behind somewhat. Across districts, an average of 86 per cent of identified beneficiaries have received their payments.

Large increases due to the recent expansion furthermore accrue to the remote areas of Gilgit-Baltistan and Azad Jammu and Kashmir. Here, payment efforts will have to be intensified following the recent announcement that coverage of EK, and with that also EEC, will be universal for 138,275 households along the line of control in Azad Jammu and Kashmir (Business Recorder 2020b). This is because, while a commendable development, previous coverage in this area was rather low, potentially posing a challenge for swift implementation due to a lack of infrastructure and experience.

---

29. In Table 8, we distinguish between the population enrolled in EEC and those who are already covered—i.e. those enrolled who have already received their benefits.

30. In recent years, district boundaries in Pakistan have changed numerous times. The geospatial data we need to rely on thus do not reflect the current administrative boundaries in every case. To circumvent this problem, we matched 2020 districts to the districts covered in our map (e.g. aggregating two districts together where they used to be one). Our maps do not reflect any explicit or implicit endorsement of contested political boundaries nationally and internationally.

Panel C, finally, extends our discussion on Table 8 to the district level and analyses the share of vulnerable people enrolled in each district as captured by the CRMVI.<sup>31</sup> On average, EEC covers 66 per cent of a district's vulnerable population, with coverage figures even exceeding the number of those deemed multidimensionally vulnerable to COVID-19 in 10 per cent of districts. Coverage is especially high in Sindh and Punjab, areas that saw the largest **increases** in vulnerability during the crisis (UNDP forthcoming). This is important, as not only the absolute vulnerability to the crisis but also the size of the shock to households might matter. For example, a household that saw a large increase in vulnerability due to the crisis might have fewer coping mechanisms in place to deal with the sudden shock. Furthermore, households with large increases in vulnerability might belong to the missing middle not formerly covered by social protection (see Chapter 2).

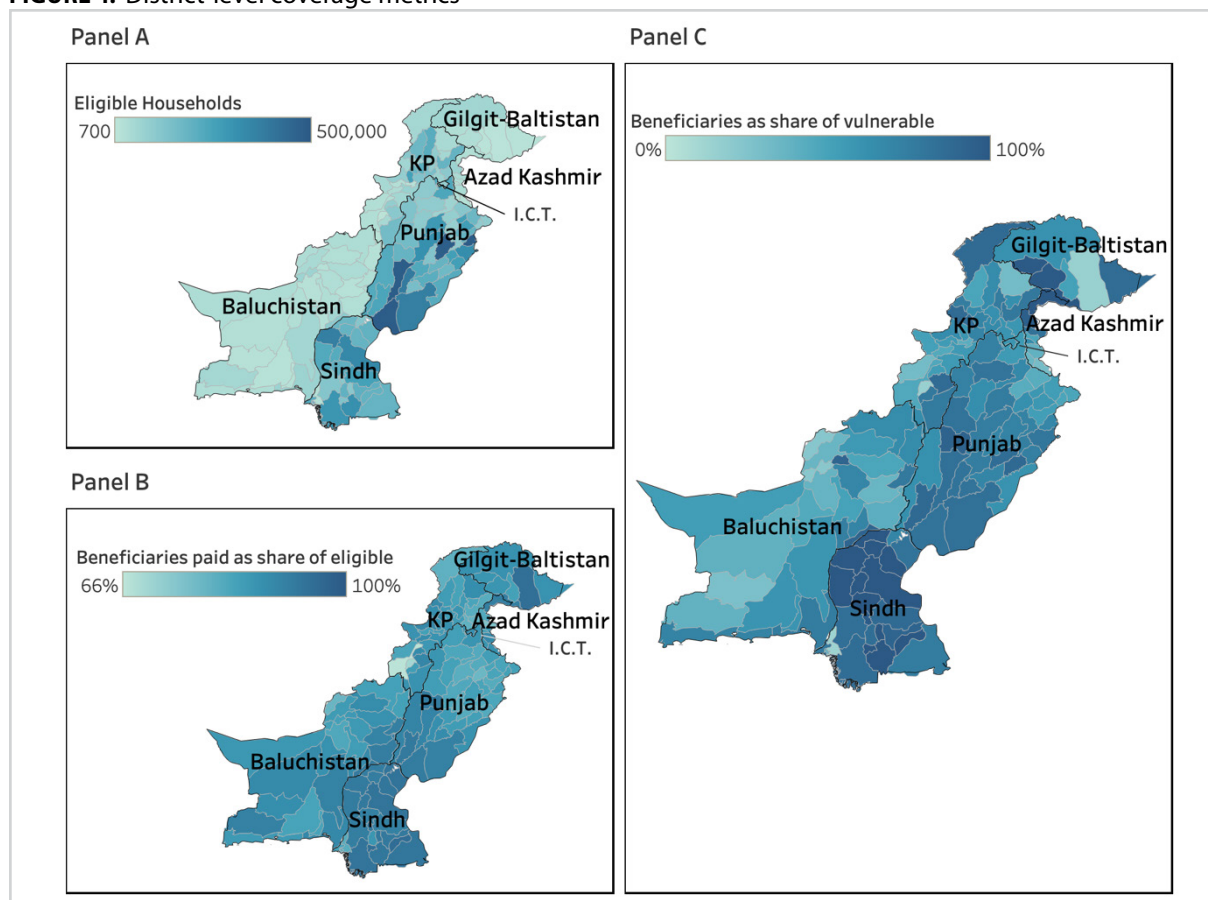
At the same time, 13 per cent of districts have estimated coverage rates of less than a third of their vulnerable population, and almost a quarter of districts have less than half covered. Specifically, coverage seems somewhat lower in more rural areas such as Balochistan and the former Federally Administered Tribal Areas region now part of Khyber Pakhtunkhwa.

In addition to the above-mentioned points, there are several more factors to discuss concerning the adequacy of EEC coverage. A first concern might relate to the exclusion of passport holders from coverage. In December 2019, 450,000 people were removed from the BISP roster because they had travel history abroad. However, for these people, going abroad might not necessarily be an indication of wealth but the inability to find adequate employment at home. This is further substantiated through a look at Pakistan's migrant worker population. About 95 per cent of this population are in Saudi Arabia (2 million) and the United Arab Emirates (1.5 million) (Greenfield 2020). As Pakistan is the second largest exporter of migrant labour in South Asia, and the crisis is also having significant impacts on these countries, not least through plummeting commodity prices, a possible concern is the return of laid-off workers from abroad who would be ineligible for support through EEC. Including returning migrant workers in crisis relief measures, as done in Bhutan through the Druk Gylpo's Relief Kidu, might prevent them from returning home without an income or adequate protection.

---

31. In particular, our methodology is the following. In a first step, we derived district-level data on programme enrolment and implementation status from the official EEC Dashboard (Government of Pakistan 2020c). Our figures are current as of 31 August 2020 (the cut-off date for this report). Next, we calculated the vulnerable population for each district in Pakistan during the crisis. For this, we used the district-level CRMVI incidence from UNDP (forthcoming) together with data from the 2017 Census and Statistical Cell 2015 in the case of Gilgit-Baltistan (Pakistan Bureau of Statistics 2017; Citypopulation.de n.d.; Government of Gilgit-Baltistan 2013). We then took these figures forward to 2020 population estimates using province-level population growth estimates from UNDP (forthcoming). We imputed missing district CRMVI values with the value of the respective province or, if unavailable, Pakistan as a whole. The latter is the case for Gilgit-Baltistan and Azad Jammu Kashmir. We argue that, if anything, this leads us to overestimate the degree of coverage in these provinces, since deprivations are likely above the national average. Hence, there will likely be more vulnerable people than we estimate in Gilgit-Baltistan and Azad Jammu and Kashmir. Similarly, we imputed missing population growth figures with the national population growth rate. We finally arrived at district-level coverage estimates of vulnerable people by expressing EEC coverage in individuals covered using the average household size of 6.31 from the HIES 2015-2016 and dividing this figure by the vulnerable population for each district. To match Dashboard data to geospatial data, we had to furthermore match district-level data to the administrative boundaries our maps reflect (see footnote 28). This introduced some inaccuracy for the map, especially in Gilgit-Baltistan, which saw substantial restructuring of district borders not reflected in the GIS data to which we have access. Importantly though, this step was only necessary to visualise coverage on the map, and any specific numbers we discuss in the text reflect 2020 districts consistent with EEC Dashboard data.



**FIGURE 4.** District-level coverage metrics

Source: Author's elaboration based on Government of Pakistan (2020c).

Second, beneficiaries in categories 1 and 2 are identified through the NSER, which is based on data collected in 2010 and only covered 85 per cent of the population. This puts pressure on the identification mechanism for categories 3 and 4 to provide adequate coverage to the population that misses out on eligibility through the first two categories. We can get an idea of the adequacy with which EEC covers this gap through enrolment in categories 3–5 by examining coverage figures for the districts of North and South Waziristan. Neither were covered during the 2010 survey and thus had to rely on enrolment through the Category 3 stream (and Category 5 extension) or Category 4 applications. In these districts, a combined 43,278 beneficiaries were identified and enrolled (Government of Pakistan 2020c). Assuming the same incidence of vulnerability to COVID-19 as in the wider province of Khyber Pakhtunkhwa, there would be about 716,000 people in need of assistance through EEC, of whom fewer than 40 per cent would be covered. Furthermore, both districts rank in the bottom quartile with respect to the share of vulnerable people enrolled in EEC.<sup>32</sup> These figures are substantially less than in the province of Khyber Pakhtunkhwa as a whole, where almost 73 per cent of the vulnerable population are enrolled in EEC. It thus suggests that beneficiary identification outside the NSER does not entirely make up for a lack of coverage through categories 1 and 2.

32. Both North and South Waziristan formerly belonged to the conflict-stricken Federally Administered Tribal Areas region that has since been dissolved into the districts of the Khyber Pakhtunkhwa province. The two districts to which North and South Waziristan now belong, Bannu and Dera Ismail Khan, are both classified as 'high-risk' districts for multidimensional vulnerability to the crisis by UNDP (forthcoming).

Lastly, business in the tourism industry is seasonal and concentrated between May and August, although the COVID-19 crisis is likely to have an adverse effect on the sector far beyond the duration of the national lockdown. In Khyber Pakhtunkhwa alone, it is feared that this could lead to around 260,000 formal workers losing their jobs this season (Afzal 2020). The stipulated cut-off date for applications under Ehsaas Labour (Category 4 covering laid-off informal workers) on 25 May might have thus come too early for those who only saw their regular livelihoods taken away over the summer months.

### 3.4 ADEQUACY OF SELECTION AND DELIVERY MECHANISMS

According to Nishtar (2020a) COVID-19 has decimated livelihoods at an unprecedented scale; according to estimates it has negatively impacted ~160 million people in Pakistan. In response, the Government of Pakistan allocated Rs. 203 Billion (~USD 1.23 Billion, the 9 million Category 1 and 2 beneficiaries were identified from the NSER dataset based on a proxy means test (PMT) score of 0 to 38. The NSER dataset is based on a door-to-door survey conducted in 2010 for 27 million households, which, at the time, was around 85 per cent of the total population (see Box 1). The underlying problem here is that the PMT scorecard approximates a household's poverty status based on a set of static household variables. It does not capture short-term fluctuations in wealth, and there is a risk that households that fell below the PMT score threshold missed out on Category 1 and 2 enrolment (Maintains 2020). As discussed previously, this puts pressure on enrolment through the remaining categories to adequately capture these households—a demand, our analysis suggests, EEC might not have fully met (see our discussion at the end of the previous section).

Category 3 applicants, those applicants without an NSER entry, registered their claim for inclusion in EEC through an SMS. After verifying their absence from the NSER, they were advised to contact their respective Deputy Commissioner's office or to register via a web portal. When the free movement of people essentially came to a halt due to the strict lockdown, asking beneficiaries to visit the office seems at odds with public health measures. Moreover, for Deputy Commissioners' offices to manage this additional work, such as preparing a list of eligible beneficiaries and sending it to provinces, additional capacity was required, despite the already considerable strain due to managing the COVID-19 response. The alternative would have been to register via a web portal (as was done for Category 4 enrolment). However, this option too comes with many challenges such as limited access to the Internet and low literacy rates. Therefore, it is uncertain how many people would have been able to take advantage of a web-based registration mechanism for Category 3 (Business Recorder 2020a). One more solution would have been to set up a hotline for registration, as was done for the Druk Gylo's Relief Kidu in Bhutan, which enabled beneficiaries to receive guidance on filing their claims for inclusion in the programme (Radio Valley, Bhutan 2020). This solution could have also served as a back-up for web-based registration under Category 4—for example, where people with disabilities need special assistance to apply.

For the first 2 months of EEC, biometric identification was a compulsory requirement for withdrawing the benefit amount at payment collection points around the country. COVID-19 is an infectious disease, and to date social distancing is the only way to break the chain of its spread. However, asking people to put their thumb on a fingerprint scanner which is used by thousands of people requires a high level of hygiene precautions, adherence to which might not have been guaranteed (Malik and Gelb 2020). Additionally, reports point to problems in the swift biometric registration of new beneficiaries representing a bottleneck for benefit payments for many beneficiaries. This led to a delay in benefit delivery for the

population enrolled in categories 2 and 3—a discrepancy that seems to have been largely resolved, judging by Table 4 (Adnan 2020b). This was only addressed later though, through the introduction of mobile registration vans on top of the closure-prone National Database and Registration Authority (NADRA) offices, and the option to receive money without previous biometric registration in exceptional cases.

In the future, there are several possible strategies for adapting benefit delivery further to the demands of a (public health) crisis. One of them could be to use a facial recognition system based on NADRA data to avoid using a fingerprint scanner (Malik and Gelb 2020). Another approach with future promise could be the use of mobile money, once dissemination of the required technology has sufficiently progressed in Pakistan: to date, only 10 million of the about 160 million mobile phone subscribers across the country have mobile wallets (*ibid.*). In addition, sending payments directly to beneficiaries' bank accounts (much like what is being done for EK recipients) could be an approach worth consideration once the government's financial inclusion expansion plans have further progressed. A programme such as EEC would have CNIC numbers of all beneficiaries and could quickly identify those beneficiaries who have bank accounts, thus transferring the money directly to them and perhaps alleviating some of the crowding around EEC payment points. This approach has been adopted by the Druk Gylo's Relief Kidu in Bhutan, for example (Government of Bhutan 2020). Lastly, the Pakistan Post has a network of 13,000 post offices in every corner of Pakistan, and its delivery staff are very familiar with their delivery areas. Delivering benefits to beneficiaries' doorsteps is already a tried and tested method, used to deliver cash during BISP Phases 1 and 2. The involvement of the Pakistan Post in the delivery mechanism could have been an efficient way to avoid crowding at payment centres (Government of Pakistan 2020g; 2020a).<sup>33</sup> Sri Lanka adopted a similar approach for its COVID-19 fund, with the benefit amount delivered directly to the doorsteps of beneficiaries by government officials (Government of Sri Lanka 2020).

In addition to the above aspects, Bourgault and O'Donnell (2020) discuss some gender considerations in the set-up of EEC. While EEC targets the whole household, and beneficiaries should thus not just be the recipients of the money itself, the authors voice concern over capture of funds by male household members and inaccessibility of the scheme for women. Specifically, they argue that the registration process for the programme indirectly discriminates against women due to their lower socio-economic status and agency in the household.<sup>34</sup>

To register for EEC, beneficiaries needed to have a CNIC (national identity card) and a mobile phone to make a claim for enrolment (Government of Pakistan 2020b). For EEC, 5 million Category 1 recipients (or roughly 30 per cent of all beneficiaries) are guaranteed to be women, which amounts to about 14 per cent of women in poverty.<sup>35</sup> However, Bourgault and O'Donnell (2020) argue that the registration mechanism might inadvertently enhance the chances of the systematic exclusion of women from the other 75 per cent of the programme. This would result in women being the direct recipients of EEC in only an estimated 43 per cent of total beneficiary households.

33. Due to safety and health considerations of those distributing the money, this of course has to be a well-deliberated choice. It might thus rather only be a delivery option for those with trouble withdrawing the money through the regular mechanism than the delivery method of choice across the board.

34. This, of course, excludes Category 1, in which, by definition, only women are covered.

35. To the best of our ability, we adjust their estimates to the current coverage figures here.

In Pakistan, 51.3 per cent of women live in poverty (under USD2.50/day purchasing power parity (PPP), according to the authors' definition), and 7.5 per cent of all women live on less than USD1.25/day. However, these estimates are based on household-level data, and actual figures could be even higher (Bourgault and O'Donnell 2020). In terms of mobile phone ownership, only 39.4 per cent of all women and 27.8 per cent of women living in poverty own a mobile phone, compared to 79.8 per cent of all men and 74.1 per cent of men living in poverty. Beyond ownership of mobile phones, women also have limited access to national identification cards, limiting their ability to access other financial services, government social protection schemes and their political rights. Combining these two basic requirements for registering for EEC, only 25 per cent of women living in poverty have access to both a CNIC and a mobile phone, compared to 68 per cent of men living in poverty (ibid.).

On the other hand, EEC's biometric payment process also has its merits regarding gender inclusiveness. A survey conducted by Financial Inclusion Insights (2017) reports that formal financial infrastructure is not well spread across Pakistan in general, but access is particularly underdeveloped for women. For example, only 6.2 per cent of women in Pakistan hold bank accounts, compared to 15.2 per cent of men and 0.23 per cent of women owning bank accounts jointly with men. Moreover, low literacy and numeracy levels hinder women from accessing financial services such as automated teller machines that require a debit card or a personal identification number (PIN). As a result, many women have to rely on male family members or hired intermediaries to withdraw money on their behalf, instead of going themselves, hence detaching them from their financial liberty and tilting the power dynamics of the house towards the man. In some parts of the country, cultural restrictions also restrict the free movement of women and hence limit their access to financial services. However, as cash is delivered via biometrically enabled cashpoints with a fingerprint verification system, EEC ensures that women must withdraw cash transfers themselves and might thus promote female empowerment (Bourgault and O'Donnell 2020).

These considerations serve to caution about gender inequalities in access to cash transfers—both in emergency and regular times—and highlight the importance of gender-sensitive complementary interventions. For example, EEC represents a prime opportunity to extend financial inclusion to large parts of the population, including many women (ibid.).

#### **4 PROPOSED ADJUSTMENTS TO THE CURRENT RESPONSE AND ASSOCIATED COSTS**

In the previous chapter, we analysed the adequacy of EEC's benefit values, coverage, and selection and delivery mechanisms. This analysis facilitated a discussion of the programme's merits in light of the ongoing COVID-19 crisis but also uncovered some potential shortcomings of the crisis response. This chapter picks up on some of the most important points from the previous section and presents cost estimates for changes to the design or implementation of EEC. As such, it presents an opportunity to weigh the virtues of the current design and possible amendments to it against the costs they would entail.

Importantly, estimates in this chapter are constrained by the rapidly evolving policy situation around the pandemic response and a lack of up-to-date data that would accurately

reflect the dynamics of the current situation. They, therefore, rely heavily on approximation and should not be taken as exact estimates of costs or benefits. With the pandemic ongoing, it is also too early for rigorous impact evaluations of the crisis response, and this chapter thus does not attempt to constitute an in-depth assessment of any cost–benefit ratio of the crisis response. Since the ‘optimal policy response’ is a highly complex matter in the current environment with unknowns spanning the realms of epidemiology, sociology, economics and many more disciplines, we refrain from judging the efficiency or feasibility of the policy options explored in this chapter. However, our discussion can give interesting insights into the costs of some of the most pertinent policy options following from our analysis in previous chapters. As such, it aims to stimulate deliberations on potential amendments to Pakistan’s current social protection response to the crisis and rounds off our assessment of the measures taken.

When assessing the adequacy of coverage under EEC in Section 3.3, we noted a gap of at least 26 million informal workers significantly affected by the crisis who are not covered by the programme.<sup>36</sup> In Table 9 we, therefore, calculate the costs of extending coverage through a PKR12,000 transfer to all or part of this population of informal workers previously not covered. According to our estimates, the population of significantly affected informal workers corresponds to 13.59 million households to which coverage could be extended. This would imply costs of PKR163.06 billion or an increase of about 80 per cent to the current budget.<sup>37</sup> Given the high rates of informality in Pakistan (see Tables 1 and 6), this would imply covering 80 per cent of the workforce in Pakistan and hence also much of the national income distribution. Some of these significantly affected workers left out of the crisis response through EEC might thus not be vulnerable and might be able to sustain themselves over a (short) spell of un- or underemployment. At the same time, some of those not enrolled in EEC might also belong to the lower ends of the income distribution in Pakistan, as they were missed in the registration process for the emergency response or excluded through suboptimal profiling criteria.<sup>38</sup> Assuming different proportions of the 26 million uncovered, significantly affected informal workers who require assistance through EEC to sustain themselves during the crisis, we, therefore, also calculate the costs of extending coverage to only the poorest half and poorest quintile of those currently without coverage. Covering only the poorest 20 per cent would still benefit 5.25 million significantly affected informal workers living in 2.72 million households, or a total of 17.16 million total beneficiaries at an increase of only 16 per cent of the current budget.

---

36. Echoing the point we made earlier, these figures are based on International Labour Organization (ILO 2020) estimates and assume an average of 1.93 working household members per household covered (HIES 2015–2016). Furthermore, we (conservatively) assume that all working household members in beneficiary households are informal workers significantly affected by the crisis.

37. Throughout this chapter, we present cost estimates in absolute numbers and relative to the amended overall budget announced on 16 July (PKR203 billion).

38. For example, in Section 3.2 we hinted that Category 3–5 enrolment might not make up for undercoverage of some regions or population groups through enrolment in the first two categories. Furthermore, we cautioned that certain profiling criteria, most notably excluding those with a travel history, might be exclusionary to vulnerable population groups such as the migrant workforce returning from abroad.

**TABLE 9.** Costs of extending coverage to previously uncovered, significantly affected informal workers

<b>Highly affected informal employment</b>	<b>58.91 million</b>			
<b>...of which covered by EEC</b>	<b>32.68 million</b>			
	Additional coverage (millions)	Households to cover (millions)	Costs (PKR billions)	EEC budget increase
All significantly affected	26.23	13.59	163.06	80%
Poorest 50% of those left out	13.11	6.79	81.53	40%
Poorest 20% of those left out	5.25	2.72	32.61	16%

Source: Own calculations.

Similar to our calculations in the previous table, Table 10 reports the costs of extending coverage to all or part of the multidimensionally vulnerable population. The hypothetical coverage gap of about 38 million people we identified in Section 3.2 would mean that EEC could be extended to cover 6 million additional households made vulnerable by the crisis. For little more than the cost of covering the poorest 20 per cent of significantly affected informal workers in Table 9, EEC could cover the most vulnerable 50 per cent of previously not enrolled, multidimensionally vulnerable people through a PKR12,000 transfer. Covering only the most vulnerable 20 per cent left out could even be achieved at a cost of PKR14.33 billion, or a 7 per cent budget increase.

Given our previous finding that coverage is currently heterogeneously distributed across the country, presumably systematically missing some households in need in some areas of the country, this seems like an investment worth considering. The programme could then strategically use geographical targeting to make up for its undercoverage of certain areas. Areas undercovered by EEC, such as our examples of North and South Waziristan from Section 3.2 that formerly belonged to the long conflict-stricken Federally Administered Tribal Areas region, are likely among the poorest areas of the country. Given this, making up for a lack of data that could be used for accurate targeting under the existing EEC design through the strategic use of universal coverage in certain areas seems like a viable option.<sup>39</sup> It is commendable that the government has started to put this approach into practice, beginning with 138,000 households along the Line of Control in the province of Azad Jammu and Kashmir.

In Section 3.1 we compared the benefit amount EEC provides to achieve its declared goal of safeguarding food security for 4 months. Our conclusion was that only under the assumption that even the poorest 20 per cent of Pakistani households can still cut their monthly food consumption expenditure by 25 per cent during the crisis does this amount provide enough to cover at least the duration of the general lockdown. Since such an assumption is not without controversy, we calculate the costs of covering different proportions of the food expenditure of the poorest 20 per cent of households in Pakistan with an increased transfer value for different groups of EEC beneficiaries. Our assumption here is that the poorest households operate under considerable budget constraints and that their food expenditure thus represents a good benchmark of what households need to spend to get by each month.

39. For example, we estimate that 715,984 people or roughly 97,525 households (using an average household size of 7.34 from the HIES 2015-2016 for the province of Khyber Pakhtunkhwa) might be multidimensionally vulnerable to the crisis in North and South Waziristan, where there are an estimated 128,349 households in total. Recently, they have been dissolved into two districts in Khyber Pakhtunkhwa that are both classified as 'high risk' by the CRMVI (UNDP forthcoming). This suggests that universal coverage in these areas is not only affordable but would also come with a reasonably low level of inclusion errors.

**TABLE 10.** Costs of extending coverage to previously uncovered, multidimensionally vulnerable people

<b>Multidimensionally vulnerable population</b>	<b>144.53 million</b>			
<b>...of which covered by EEC</b>	<b>106.86 million</b>			
	Additional coverage (millions)	Households to cover	Costs (PKR billions)	EEC budget increase
All multidimensionally vulnerable	37.67	5.97	71.64	35%
Most vulnerable 50% of those left out	18.84	2.99	35.82	18%
Most vulnerable 20% of those left out	7.53	1.19	14.33	7%

Source: Own calculations based on UNDP (forthcoming).

**TABLE 11.** Costs of extending benefit values to cover monthly food expenditure

<b>Monthly food expenditure of the poorest 20% of households</b>	<b>PKR10,542</b>			
<b>Lockdown food expenditure of the poorest 20% of households</b>	<b>PKR16,164</b>			
	Additional costs (PKR billions)		EEC budget increase	
	All households enrolled in EEC	Category 1 only	All households enrolled in EEC	Category 1 only
4 months of food expenditure (PKR42,168)	510.89	151.91	252%	75%
100% of lockdown food expenditure (PKR16,164)	70.52	20.97	35%	10%
90% of lockdown food expenditure (PKR14,548)	43.14	12.83	21%	6%
80% of lockdown food expenditure (PKR12,931)	15.77	4.69	8%	2%

Source: Own calculations based on Nadeem (2020).

Assuming that even the poorest 20 per cent of households have some room to cut their food expenditure and/or are able to contribute at least some share to food expenditure from savings and income during lockdowns, we look at what it would cost to subsidise monthly food expenditure (based on the amount that the poorest 20 per cent of households spend on food in Pakistan) to cover: (i) all food expenditure over 4 months (PKR42,168); (ii) all food expenditure during the general lockdown (PKR16,164); (iii) 90 per cent of food expenditure during the general lockdown (PKR14,548); and (iv) 80 per cent of food expenditure during the general lockdown (PKR12,931). We perform this exercise for a scenario where all EEC beneficiaries benefit from an equivalent top-up of their amounts, and a second option where only Category 1 recipients—i.e. those covered by EK that would thus be considered among the most vulnerable in regular times—receive an increased benefit value.

While providing full coverage of food expenditure for 4 months might be prohibitively expensive, a subsidy covering all EEC households that suffices to cover 50 per cent of expenditure would come at an increase of roughly three quarters of the current budget,

and an increase of benefit values to cover 33 per cent of food consumption would require a budget increase of less than 20 per cent. Given the gradual but slow recovery of livelihoods lost during the lockdown since it has been lifted, at least the most basic scenario seems like an option worth taking into account. Assuming that the regular EK beneficiaries are also those who might find it particularly difficult to recoup their normal livelihoods, offering a top-up to only Category 1 beneficiaries furthermore poses a more affordable option.

The current situation in South Asia in general and Pakistan in particular suggests that, despite the gradual lifting of lockdown measures, the COVID-19 pandemic will continue for weeks or even months to come. In addition, the economic ripples the crisis has been sending through the (world) economy will be felt even after the public health crisis is over and seem destined to take a toll on vulnerable populations for the foreseeable future. Setbacks such as the currently ongoing 'smart lockdowns' that have been extended until mid-August in Sindh further support this conjecture. In light of this, Table 12 explores the additional costs of extending EEC coverage for another month, another 3 months and another year.<sup>40</sup> For our calculations, we discern between two different levels of coverage and two different benefit amounts paid out after the initial 4 months of coverage.<sup>41</sup> In our first scenario, the same benefit amount as currently under EEC is paid (PKR3,000 per month). We also present estimates for a more affordable, second scenario in which EK beneficiaries continue to receive their topped-up benefit amounts as currently under EEC (PKR3,000 monthly), and any remaining beneficiaries receive what would be the regular benefit amount under EK (PKR2,000 per month).

While providing a short-term extension only for the 5 million EK beneficiaries seems like an appealing option due to its relatively low costs, we favour a version in which coverage also takes into account (some of) those hit hard by the crisis who have previously not been covered under EK. Providing those that are within the government's core target group of social assistance in regular times (i.e. Category 1 beneficiaries) with a top-up of their amount for at least another few months over the summer while still extending coverage to newly identified beneficiaries in precarious situations during the crisis seems like an option meriting some consideration. This is because, while some existing beneficiaries might be able to recoup their livelihoods swiftly as lockdown measures are removed, others, particularly those in heavily affected sectors, might find it harder to return to their jobs. Assuming that the wider informal population in Pakistan is representative of EEC beneficiaries' livelihoods, we thus also report a scenario in which Category 1 beneficiaries receive PKR3,000, and only those beneficiary households with members earning informal livelihoods in highly affected sectors (see footnote 41) continue to receive PKR2,000. Expanding the duration of EEC flexibly over the summer and covering the poorest households and those who might struggle to find work immediately again would require an increase of around a quarter of the existing budget.

40. Table 12 reports the additional costs—i.e. it does not take into account the budget regularly allocated for EK each month (i.e. a PKR2,000 transfer to 5 million Category 1 beneficiaries).

41. Our two coverage scenarios differ between the two different options for benefit amounts paid. For the full transfer, we consider the options of covering all beneficiaries and only Category 1 (EK) beneficiaries. For a transfer of PKR3,000/month to all regular EK beneficiaries and PKR2,000/month to the rest, we consider the options of covering all beneficiaries and only EK beneficiaries plus those households with informal workers in highly affected sectors. This is because the latter group should comprise those households that see the largest long-term impacts from the crisis even as restrictions are weakened.



**TABLE 12.** Costs of extending the length of coverage through EEC

Full EEC amount (PKR3,000 monthly)	Additional costs (PKR billions)		EEC budget increase	
	All households enrolled in EEC	Category 1 only	All households enrolled in EEC	Category 1 only
Another month	40.73	5.04	20%	2%
Another 3 months	122.20	15.11	60%	7%
Another year	488.80	60.43	241%	30%
EK beneficiaries (PKR3,000) and rest (PKR2,000)	All households enrolled in EEC	Category 1 and highly affected sectors	All households enrolled in EEC	Category 1 and highly affected sectors
Another month	28.83	18.33	14%	9%
Another 3 months	86.50	54.99	43%	27%
Another year	346.01	219.95	170%	108%

Source: Own calculations.

**TABLE 13.** Costs of covering ongoing wage losses of particularly affected informal workers

Category 2–5 beneficiaries (households)	11.90 million	Assumed wage impact of a weak lockdown	50%	
...of which households with at least one informal worker in a highly affected sector	6.65 million	Lost income each month (PKR)	7,738.5	
	Additional costs (PKR billions)		EEC budget increase	
All EEC households with at least one informal worker in a highly affected sector	All lost income	Same proportion as under EEC (22%)	All lost income	Same proportion as under EEC (22%)
Another month	51.44	11.08	25%	5%
Another 3 months	154.31	33.24	76%	16%
Another year	617.25	132.94	304%	65%

Source: Own calculations.

Table 6 showed the effect of lockdown measures on the wages of informal workers significantly impacted by the crisis. We discerned between workers in sectors differently impacted and concluded that EEC covered varying proportions of the labour income lost during the crisis, depending on the exposure of a sector to the crisis and its average wage. For the 20 million informal workers in highly affected sectors, PKR3,000 covers about 22 per cent of the labour income lost during a one-month full lockdown, as was the case in April.<sup>42</sup> Due to the current dynamics of the crisis in the country, it is likely that while a widespread strict lockdown is no longer in place, some lockdown measures need to remain for some time to come. This is supported by the local 'smart lockdowns' that, in the case of Sindh, will remain at least until mid-August, and the recently introduced 'micro smart lockdowns' in Punjab.

42. This figure, however, assumed that only one informally employed worker per household lost their livelihood (see our discussion in footnote 22). If we were to use the average number of working adults per household (1.93 according to the HIES 2015-2016), EEC would cover an equivalently lower proportion of lost income.

After EEC ends, however, only those informal workers in households enrolled under the regular EK transfer will be protected. We can, therefore, explore what it would cost to extend the support for those 6.65 million households not part of EK that have at least one informal worker in a highly affected sector.<sup>43</sup>

Using the assumed impact on informal wages of particularly affected workers during a **weak** lockdown (a 50 per cent wage reduction, according to the International Labour Organization (ILO 2020)), Table 13 explores the costs of reimbursing these households for: (i) all the lost income of an informal worker in a highly affected sector for the following months of a weak lockdown; and (ii) at least 22 per cent (the same proportion EEC now covers under a strict lockdown) of labour income lost for another month, another 3 months and another year. While full coverage of lost income is unlikely to be a realistic scenario due to its high costs and the necessary benefit value exceeding regular EK benefits by far, at least temporarily extending coverage for those households with income earners that might remain affected by the pandemic for some time to come seems like an option worth consideration.

We summarise a plethora of (additional) possible scenarios for future coverage and benefit amounts of EEC (or its successor) and their associated costs in Table 15 in the Appendix. The table takes the form of a matrix in which rows capture the groups covered and columns the benefit value they receive.

## 5 LOOKING AHEAD—CHALLENGES AND OPPORTUNITIES FOR SOCIAL PROTECTION IN PAKISTAN

In this final chapter we revisit some of the most pertinent findings from our analysis and point to the opportunities and challenges they represent for social protection in Pakistan.

We start by summarising some conclusions from the last four chapters of this report.

- Pakistan entered the COVID-19 crisis in a vulnerable economic starting position and will see large, widespread and potentially lasting impacts. The crisis required an acute response and continues to necessitate an ongoing response. While the economic impacts motivated increases in the allocation of funds to social protection in FY 2019-2020 and the new FY 2020-2021 budget, the same ramifications also threaten the sustainability of the proposed budget plan (Chapter 1).
- The social protection landscape in Pakistan features a multitude of federal but also provincial initiatives. At the same time, its focus on providing social assistance to the poorest 20 per cent of the population and the limited coverage of social insurance threatens to leave a considerable missing middle without social protection coverage. While the *Ehsaas* framework introduced in 2019 tries to give a common strategic framework to social protection in Pakistan, there is still much fragmentation among

43. To arrive at this figure, we assumed that the population enrolled in EEC is predominantly informal, consistent with its mission statement to cover mostly daily wage earners. Based on data from the International Labour Organization (ILO 2020), we can conjecture that 34.54 per cent of them are working in highly affected sectors. Given this and an average of 1.93 income earners per household, the probability of the average beneficiary household containing at least one informal worker in a highly affected sector is given by:

$$P(\text{at least one IW in highly - affected}) = 1 - (1 - 0.3454)^{1.93} = 0.5586$$

We can, therefore, assume that among the 11.90 million EEC beneficiary households not enrolled in EK, there will be million households with at least one informal worker in a highly affected sector.

initiatives. Any attempt to analyse subnational programmes is hindered by a scarcity of comprehensive information and far exceeds the scope of this report (Chapter 2.1).

- The governing imperatives for the social protection response to the crisis were speed and broad coverage. In particular, extending social protection to the missing middle of mostly informal workers whose livelihoods have suffered considerably under lockdowns was crucial to fulfilling this mandate. This also meant that social protection during the crisis faced a somewhat different set of requirements and considerations than in regular times (Chapter 2.2).
- The crisis response has benefited immensely from the existing social protection infrastructure in Pakistan. EEC provided quick relief to households in the lower income quintiles. At the same time, it allowed for an expansion of social protection to the missing middle and those erroneously excluded from social assistance (Chapter 3):
  - Some records from the latest poverty survey date back to 2010 and hence are in need of urgent updating, which was under way when the pandemic hit. Furthermore, coverage of the 2010 survey round omitted about 15 per cent of the population, with undercoverage likely systematic and to the disadvantage of the most marginalised. As such, EEC represents a huge opportunity to comprehensively update the NSER and promote financial and mobile communication inclusion. This could also serve to close gender gaps and further promote female empowerment.
  - Up to 4 million EEC Category 2 households are those with poverty scores marginally higher than the usual cut-off. They should thus include households belonging to the missing middle who are not poor and thus ineligible for social assistance but also likely to earn informal livelihoods, denying them access to social insurance.
  - Under Category 3, almost 3.5 million new beneficiaries were enrolled. This category covered poor households that were not part of the NSER and thus off the social protection radar. Including these in the social registry and enrolling them in EK could considerably reduce exclusion errors in Pakistan's social protection system and allow a rapid and seamless response to future shocks.
  - Category 4 covers 1.26 million more households that lost their livelihoods during the crisis and applied for support through the Ehsaas Labour web portal. They are also the group that most clearly belongs to the missing middle: they had jobs, which meant they might have earned incomes above the poverty threshold for inclusion under categories 1–3, but the livelihoods they earned were vulnerable and thus lost during the crisis. Therefore, it is likely that this category, by definition, includes those higher up the income distribution and hence ineligible for social assistance coverage before the crisis but with informal jobs that do not grant access to social insurance and that are heavily affected by lockdowns. To provide adequate coverage consistent with a rights-based notion of social protection, it is vital that social protection coverage is expanded to these individuals also in regular times.
  - While EEC has put large-scale expansions of the social protection system within reach through the measures described above, it is equally important to focus attention on those districts with the lowest coverage rates of vulnerable people.

In this sense, information on those potentially in need but **not reached** can be equally informative for future expansions and help to avoid the emergence of gaps in social protection coverage across districts.

- There is still a need and the potential for improvements in the response to the ongoing crisis. This applies to some immediate measures related to the adequacy of crisis relief (Chapter 4), as well as to the transition from a **crisis** response to sustainable amendments to the country's **regular** social protection system. In the following, we highlight some of the challenges that should be considered in the debate on social protection in the post-COVID-19 era in Pakistan.

In recent weeks, it has become evident that the economic fallout of the pandemic will not be limited to a few months but will likely affect the global and national economies for some time to come. Even when the threat of the disease is successfully contained in Pakistan, a feat that is not yet foreseeable, the economic consequences of the crisis will continue to take a toll on livelihoods; and as the economic ramifications of the crisis continue, so must the social protection response to it. While the rapid spread of the disease and general lockdowns in the first months of the pandemic meant restrictions and adverse consequences for virtually the entire population, the coming months might see a more differentiated picture: new infections will likely be less broadly spread over the whole nation but spike in local hotspots, a development that can already be observed now. Lockdown measures will thus not be general, but the recently introduced 'smart lockdowns' that are locally confined. As Pakistan's and the world's economies move from the COVID-19-induced recession towards recovery, this will be heterogeneous across sectors, geographies and demographics. While those working in agriculture or as street vendors might find their livelihoods return quickly, other sectors might struggle for longer and see layoffs further in the future because of the sluggish recovery. While some regions might be able to move towards recovery more quickly, others might struggle for longer. And while some population groups will be able to recoup their regular livelihoods, marginalised groups in society and those made vulnerable by the crisis might feel the impacts for much longer. Lastly, it cannot be emphasised enough that the development of the pandemic itself and its medium- to long-term economic consequences are still marked by considerable uncertainty. Policymakers are thus challenged to establish institutionalised solutions that allow them to react flexibly, quickly and in a coordinated way to the future contingencies the crisis involves. In addition to smart lockdowns, the crisis, therefore, also calls for a '**smart social protection response**' over the coming months.

What do we mean by a 'smart' response? Apart from adapting its length, coverage and benefit values according to the actual developments of the crisis (Chapter 4 gave some suggestions), it also involves adapting Pakistan's regular social protection system to build increased resilience for future shocks (whether idiosyncratic or covariant in nature). An immediate starting point is to fill the gaps in the regular system based on achievements of the crisis response (see the fourth conclusion above). A possible strategy here could be an expansion of social protection floors consistent with International Labour Organization Recommendation 202 (i.e. establishing a minimum of social protection that, if individual need arises, is guaranteed to all citizens consistent with a rights-based notion of access to social protection). This should be complemented by an expansion of social insurance to the missing middle, particularly informal workers, by providing accessible options for contributory schemes—for example, for self-employed people and by formalising semi-dependent employment relationships. Furthermore,

these initiatives will require complementary efforts to ensure broad and frequently updatable social registries (as is currently planned) and expanded financial inclusion.

Lastly, the post-COVID-19 social protection landscape will have to accommodate the multiplicity of actors and programmes present in Pakistan and drive forward the streamlining of the interplay between federal and provincial stakeholders in social protection. As the response to the crisis in the future might need to be more nuanced based on the respective local realities, it will become indispensable for the federal level to closely collaborate with the provincial level to provide adequate social protection coverage. This first involves allocating sufficient funds to provincial governments to give them the flexibility to respond to the crisis in their jurisdiction. In this regard, there should be a transparent and unbureaucratic mechanism under which provincial governments can request additional funds for the local continuation of the crisis response. EEC already established much of this infrastructure and communication channels. The goal should now be to also build the capacity at the provincial level to hold an increased stake in this process. This does not just have the potential to react more quickly to future contingencies but also ensures that the response is conducted efficiently.<sup>44</sup> For example, an important aspect of this process is avoiding the fragmentation of social protection initiatives and/or adverse incentives for provincial governments to neglect their own responsibility in providing social protection to their citizens.<sup>45</sup> Coordinating the ongoing response to the crisis with local initiatives thus offers an opportunity to close gaps in coverage—for instance, by harmonising registries and beneficiary lists, efficiently and adequately monitoring the further development of the crisis, and harnessing other synergies with local initiatives. Most importantly, it creates buy-in at the provincial level and the potential capacity to have the infrastructure established under EEC also leveraged by subnational social protection actors as Pakistan transitions from the emergency response to a new normal for social protection.

## 6 POLICY FINDINGS

- The economic ramifications of the crisis require(d) a large, widespread and lasting social protection response giving substantial assistance to large parts of the population for as long as there is an acute risk to lives and livelihoods. While EEC does meet the first two criteria, the challenge for the upcoming months will be the third point: learning from the crisis and providing ongoing support as the development of the crisis demands.

44. Importantly, this does not preclude the government from still holding a considerable stake in the process.

The important point is that, as discussed in Chapter 2.2, the emergency response has required an amount of centralisation and 'one-size-fits-all' approach that now needs to make way for a more careful consideration of complementarities and local realities as Pakistan progresses from emergency scale-up to regular protection.

For this process, it is integral to endow subnational levels with the financial and technical capacity to hold a stake and the responsibility that allows social protection efforts to take the most efficient form.

45. In a recent research report by IPC-IG and UNICEF ROSA (2020), the authors provide a comprehensive mapping of Pakistan's social protection response and note that many provincial initiatives that were announced in response to the crisis were seemingly not followed up. If this were to turn out to be true, it might be due to an adverse incentive set by the comprehensive coverage of EEC administered at the national level. This might have disincentivised provinces from taking responsibility by providing complementary relief through their own initiatives during the crisis. At the same time, an example of a commendable effort to streamline national and provincial responses is reflected in the merger of the Punjab government's social protection response with EEC to form Category 3-A. Here, the provincial government initially announced it would pay the full EEC amount to up to 2.5 million households not covered under EEC (Government of Punjab 2020). Later, this initiative merged with EEC, drawing on the infrastructure and disbursement terms and conditions established by the federal initiative but funded through the provincial budget. This has an opportunity to harness synergies and foster collaboration between different levels of government while safeguarding adequate buy-in from all stakeholders. Through this cooperation, approximately 700,000 more beneficiaries could be enrolled.

- The length of time for which extraordinary enrollees in EEC (i.e. categories 2–5) will struggle to earn their pre-crisis livelihoods makes it difficult to assess the adequacy of benefit values. It is likely that there will be a protracted return to normality and that the economic ramifications of the crisis will persist long after general lockdowns. This would call for an ongoing response beyond the current time-frame. The current smart lockdowns also mean that the social protection response has to be equally ‘smart’, adapting to prolonged or reimposed lockdowns in some areas. Furthermore, Pakistan’s social protection system will need to adapt under the experiences of the crisis, expanding social protection floors and access to social insurance to broaden coverage and extend social protection to the missing middle. A crucial component of this will be coordination between federal and provincial administrations and leveraging the progress made by EEC.
- Informal workers are particularly at risk of losing their livelihoods during the crisis and are often in need of a horizontal expansion of social protection to cover them. They constitute 82 per cent of total employment in Pakistan, with a third of them working in sectors particularly affected by the crisis. For these 25 million informal workers in highly affected sectors, EEC covers about 56 per cent of the income lost during the general lockdown. Especially for those 26 million earning their livelihoods in agriculture, it replaces a considerable amount of income potentially affected.
- Alternatively, the full EEC payment amount covers around 60 per cent of the monthly household income of the poorest 20 per cent of households or their food expenditure for approximately three quarters of the duration of the lockdown. This is somewhat at odds with the declared programme goal of guaranteeing subsistence for an entire 4 months.
- In terms of coverage, about 55 per cent of significantly affected informal workers are enrolled in EEC. Furthermore, it reaches an estimated three quarters of multidimensionally vulnerable people. However, beneficiaries seem heterogeneously distributed across districts, suggesting systematic undercoverage of some areas. This is especially problematic for those areas not covered in the 2010 BISP survey, as estimates suggest that this gap in coverage is not always made up adequately through coverage in categories 3–5. As a solution, geographically targeted universal approaches might be worth considering and have seen a commendable start with some areas along the Line of Control.
- Due to the magnitude of the crisis, it is likely prohibitively expensive to cover all those significantly affected. However, large-scale investments in social protection can also aid recovery and build future resilience. The regular expansions EEC has seen over the last months are commendable and necessary to keep up with a crisis that keeps affecting livelihoods far beyond the initially budgeted dimensions. Increases in the allocated budget to EEC are thus consistent with a rights-based notion of social protection. Furthermore, if the recently announced FY 2020–2021 budget plan should prove unattainable due to the long-term economic ramifications of the crisis, it should not come at the expense of social protection allocations.
- Changes to the current programme design of EEC can also take place on a somewhat smaller scale and at a correspondingly smaller cost. Within an increase of no more than about a fifth of the current budget allocated to EEC, the programme could:

- cover all households for another month of the crisis or extend payments for 2 months over the summer to EK beneficiaries, paying them the full EEC amount and PKR2,000 to a proportion of particularly affected workers struggling to find work again;
  - extend coverage to all households deemed multidimensionally vulnerable to the crisis, paying EK beneficiaries the topped-up amount and the remaining beneficiaries PKR2,000 for an additional month;
  - contribute to food security for those who will likely continue to be among those affected worst by the crisis, by subsidising 20 per cent of food expenditure (based on the amount the poorest Pakistani households spend) for all EK households and those beneficiary households with workers in highly affected sectors for almost 3 months; and
  - reimburse all non-EK EEC beneficiary households with at least one informal worker in sectors particularly affected by lockdown measures for the same proportion of lost monthly labour income as during the full lockdown in April for almost 4 more months.
- Finally, the global learning from the crisis has been that strong social protection systems matter for shock resilience: often, countries with comprehensive and well-designed social protection systems had the most effective responses. This is consistent with the experience in Pakistan, where existing EK beneficiaries and those with current information in the social registry received the quickest and least bureaucratic support. As such, the above recommendations should not just be understood as relief measures to mitigate the crisis but an investment in the country's future shock resilience.
  - We summarise the next steps required by the crisis and enabled by the existing response under the acronym SMART:
    - S**upport the livelihoods of those who continue to be affected by the crisis;
    - M**ake sure to foster the federal-provincial interplay and continuation of a "whole of government" approach to social protection – during and after the crisis;
    - A**dapt the response in length, coverage, and benefit values to the developments of the crisis as highlighted by some stylised options;
    - R**eap the benefits of what has already been achieved: the social registry can be expanded through the new beneficiary information; enrolment can be flexibilised, on-demand, and digital; financial inclusion can be promoted; and the "missing middle" reached out to can be integrated into the mainstream social protection landscape. These measures, ultimately, also build future resilience; and
    - T**arget universal access to social protection as the mid-term goal and move towards this through a combination of broad social protection floors and an extension of social insurance to the informal population.

## APPENDIX

TABLE 14. Comparative table of emergency cash transfers during the COVID-19 crisis

Country	Programme	Expansion	Pre-crisis benefit value (LCU)	Duration of emergency transfer (months)	Emergency top-up only	Benefit value (LCU)	Monthly household income	Monthly income, first quintile	Benefit as % of household income	Benefit as % of first quintile income	Pre-crisis benefit as % of first quintile income	Source
Argentina	Asignación Universal por Hijo (AUH) and Asignación Universal por Embarazo (AUE)	Vertical + minimum amount	2,746	One-off	3,000	3,496	49,427	19,953	7.1%	17.5%	13.8%	<a href="https://bit.ly/36EZsd5">https://bit.ly/36EZsd5</a>
Argentina	AUH and AUE	Vertical + maximum amount	13,730	One-off	3,000	14,480	49,427	19,953	29.3%	72.6%	68.8%	<a href="https://bit.ly/34fOUUNV">https://bit.ly/34fOUUNV</a>
Argentina	AUH and AUE	Horizontal	N.A.	One-off	3,000	750	49,427	19,953	1.5%	3.8%	N.A.	<a href="https://bit.ly/3imYrrZ">https://bit.ly/3imYrrZ</a>
Argentina	Tarjeta Alimentar—AUH and AUE	Vertical + one child up to 6 years of age	4,000	One-off	4,000	5,000	49,427	19,953	10.1%	25.1%	20.0%	<a href="https://bit.ly/30qsFo8">https://bit.ly/30qsFo8</a>
Argentina	Tarjeta Alimentar—AUH and AUE	Vertical + more than one child up to 6 years	6,000	One-off	6,000	7,500	49,427	19,953	15.2%	37.6%	30.1%	<a href="https://bit.ly/3joa170">https://bit.ly/3joa170</a>
Argentina	Tarjeta Alimentar—AUH and AUE	Horizontal+ one child up to 6 years of age	N.A.	One-off	4,000	1,000	49,427	19,953	2.0%	5.0%	N.A.	<a href="https://bit.ly/33n1vjB">https://bit.ly/33n1vjB</a>





Country	Programme	Expansion	Pre-crisis benefit value (LCU)	Duration of emergency transfer (months)	Emergency top-up only	Benefit value (LCU)	Monthly household income	Monthly income, first quintile	Benefit as % of household income	Benefit as % of first quintile income	Pre-crisis benefit as % of household income	Pre-crisis benefit as % of first quintile income	Source
Argentina	Tarjeta Alimentar— AUH and AUE	Horizontal+ one or more children up to 6 years of age	N.A.	One-off	6,000	1,500	49,427	19,953	3.0%	7.5%	N.A.	N.A.	<a href="https://bit.ly/2SmZ09s">https://bit.ly/2SmZ09s</a>
Bangladesh	Cash aid to vulnerable families	Horizontal	N.A.	One-off	2,500	625	15,945	*7,267	3.9%	8.6%	N.A.	N.A.	<a href="https://bit.ly/34hPI5z">https://bit.ly/34hPI5z</a>
Bhutan	The Druk Gyalpo's Relief Kidu	Horizontal + full amount	N.A.	3	12,000	12,000	33,538	*13,086	35.8%	91.7%	N.A.	N.A.	<a href="https://royalkidu.bt/">https://royalkidu.bt/</a> *Note: Household consumption was used instead of income
Bhutan	The Druk Gyalpo's Relief Kidu	Horizontal + partial amount	N.A.	3	8,000	8,000	33,538	*13,086	23.9%	61.1%	N.A.	N.A.	<a href="https://royalkidu.bt/">https://royalkidu.bt/</a> *Note: Household consumption was used instead of income
Bolivia	Universal Bonus	Horizontal	N.A.	One-off	500	125	4,341	1,096	2.9%	11.4%	N.A.	N.A.	<a href="https://bit.ly/3jDgwDX">https://bit.ly/3jDgwDX</a>



Country	Programme	Expansion	Pre-crisis benefit value (LCU)	Duration of emergency transfer (months)	Emergency top-up only	Benefit value (LCU)	Monthly household income	Monthly income, first quintile	Benefit as % of household income	Benefit as % of first quintile income	Pre-crisis benefit as % of household income	Pre-crisis benefit as % of first quintile income	Source
Bolivia	Bono Familia	Horizontal	N.A.	One-off	500	125	4,341	1,096	2.9%	11.4%	N.A.	NA	<a href="http://www.minedu.gob.bo">www.minedu.gob.bo</a>
Chile	Bono de Emergencia COVID-19	Vertical	13,155	One-off	50,000	25,655	1,040,319	324,044	2.5%	7.9%	1.3%	4.10%	<a href="https://bit.ly/3l4VSNd">https://bit.ly/3l4VSNd</a>
Chile	Bono de Emergencia COVID-19	Horizontal	N.A.	One-off	50,000	12,500	1,040,319	324,044	1.2%	3.9%	N.A.	NA	<a href="https://bit.ly/3cZ9czN">https://bit.ly/3cZ9czN</a>
India	PMJDY (Jan Dhan financial inclusion)	Vertical	Unknown	3	Unknown	500	*8,074	*2,946	6.2%	17.0%	Unknown	Unknown	<a href="https://pmjdy.gov.in/scheme">https://pmjdy.gov.in/scheme</a> * Note: Household consumption was used instead of income
India	PMJDY (Jan Dhan financial inclusion)	Horizontal	N.A.	3	500	500	*8,074	*2,946	6.2%	17.0%	Unknown	Unknown	<a href="https://pmjdy.gov.in/scheme">https://pmjdy.gov.in/scheme</a> *



Country	Programme	Expansion	Pre-crisis benefit value (LCU)	Duration of emergency transfer (months)	Emergency top-up only	Benefit value (LCU)	Monthly household income	Monthly income, first quintile	Benefit as % of household income	Benefit as % of first quintile income	Pre-crisis benefit as % of household income	Pre-crisis benefit as % of first quintile income	Source
India	National Social Assistance Programme	IGNOAPS (age 60–79)	200	2	500	700	*8,074	*2,946	8.7%	23.8%	2.5%	6.8%	<a href="http://hsap.nic.in/">http://hsap.nic.in/</a> *Note: Household consumption was used instead of income
India	National Social Assistance Programme	IGNWP (age 40–79); IGNDPS (age <80)	300	2	500	800	*8,074	*2,946	9.9%	27.2%	3.7%	10.20%	<a href="http://hsap.nic.in/">http://hsap.nic.in/</a> *Note: Household consumption was used instead of income
India	National Social Assistance Programme	IGNOAPS, IGNWP, IGNDPS (all age 80+)	500	2	500	1,000	*8,074	*2,946	12.4%	33.9%	6.2%	17.00%	<a href="http://hsap.nic.in/">http://hsap.nic.in/</a> *Note: Household consumption was used instead of income



Country	Programme	Expansion	Pre-crisis benefit value (LCU)	Duration of emergency transfer (months)	Emergency top-up only	Benefit value (LCU)	Monthly household income	Monthly income, first quintile	Benefit as % of household income	Benefit as % of first quintile income	Pre-crisis benefit as % of first quintile income	Source
India	Pradhan Mantri Kisan Samman Nidhi (PM-Kisan)	Vertical	500	3	6,000	2,500	*8,074	*2,946	31.0%	84.9%	17.00%	<a href="https://pmkisan.gov.in/">https://pmkisan.gov.in/</a> *Note: Household consumption was used instead of income
Pakistan	Ehsaas Emergency Cash (vertical expansion)	Vertical	2,000	4	1,000	3,000	35,662	19,742	8.4%	15.2%	10.10%	HIES 2015-2016
Pakistan	Ehsaas Emergency Cash (horizontal expansion)	Horizontal	N.A.	4	3,000	3,000	35,662	19,742	8.4%	15.2%	NA	HIES 2015-2016
Sri Lanka	Samurdhi	Vertical with 4+ family members	3,500	One-off	5,000	4,750	62,237	19,914	7.6%	23.9%	17.60%	HIES 2016
Sri Lanka	Samurdhi	Vertical with 3-4 family members	2,500	One-off	5,000	3,750	62,237	19,914	6.0%	18.8%	12.60%	HIES 2016
Sri Lanka	Samurdhi	Vertical with 1-2 family members	1,500	One-off	5,000	2,750	62,237	19,914	4.4%	13.8%	7.50%	HIES 2016

**TABLE 15.**  
Matrix of possible amendments to EEC and the transition period after COVID-19

	Fiscal sustainability			Benefit value			Income loss
	No change	Lowering value to match only the regular EK benefit (PKR 2,000 per month)	c) EK beneficiaries receive EEC amount (PKR 3,000 per month) and rest receives regular EK amount (PKR 2,000 per month)	d) Topping up monthly benefit value to cover 75% of average food expenditure of the poorest (PKR 7906)	d) Topping up monthly benefit value to cover 50% of average food expenditure of the poorest (PKR 5271)	e) Topping up monthly benefit value to cover 20% of average food expenditure of the poorest (PKR 2635)	
Current beneficiaries only	i. Only EEC Category 1 beneficiaries	5,036 2.5%	0 0.0%	5,036 2.5%	29,743 14.7%	16,471 8.1%	0 0.0%
	ii. All current EEC beneficiaries	40,733 20.1%	23,799 11.7%	28,834 14.2%	123,824 61.0%	79,192 39.0%	19,824 9.8%
Informal workers in highly affected sectors*	iii. All EK beneficiaries + all remaining EEC HHs with at least one informal worker in highly affected sectors	1,411 0.87%	0.822% 0.46%	1.00% 0.64%	4.29% 2.85%	2.75% 1.79%	0.69% 0.38%
	iv. All current EEC beneficiaries + all UNDP multidimensionally vulnerable left out	58,644 28.9%	35,739 17.6%	40,774 20.1%	171,027 84.2%	110,661 54.5%	29,770 14.7%
UNDP multidimensionally vulnerable	v. All current EEC beneficiaries + 50% most vulnerable left out	49,688 24.5%	29,769 14.7%	34,804 17.1%	147,425 72.6%	94,927 46.8%	24,797 12.2%
	vi. All current EEC beneficiaries + 20% most vulnerable left out	44,315 21.8%	26,187 12.9%	31,222 15.4%	133,265 65.6%	85,486 42.1%	21,813 10.7%
Significantly affected informal workers*	vii. All current EEC beneficiaries + poorest 50% of HH with significantly affected informal workers left out	61,116 30.1%	37,387 18.4%	42,423 20.9%	177,543 87.5%	115,005 56.7%	31,143 15.3%
	viii. All current EEC beneficiaries + poorest 20% of HH with significantly affected informal workers left out	48,886 24.1%	29,234 14.4%	34,269 16.9%	145,312 71.6%	93,517 46.1%	24,352 12.0%
Groups covered: Current EEC beneficiaries + ...	1,69%	1.01%	1.19%	5.04%	3.24%	1.09%	0.84%

Note: Costs presented are programme costs net of regular Ehsaas Kafaalat expenditure since we are interested in the costs of amending the existing social protection landscape in light of the crisis. Unless specified otherwise, values are in million PKR. / EEC coverage: 16.93 million HHs; average HH size: 6.31 (HIES 15-16); nominal GDP: PKR 34618.5765 billion; \*Scenarios vi-viii assume 1.93 working adults per left out HH all of which are informal workers. The exception are scenarios vi-ix-f) in which the benefit amount is equivalent to 22% (the same share as under a full lockdown) of lost income during a weak lockdown assuming only one informal employee per HH.

## REFERENCES

- Adnan, Imran. 2020a. "Food Crisis Looms as Fear of Coronavirus Disrupts Supply Chain." *The Express Tribune*, 27 March. <<https://is.gd/91lkS2>>. Accessed 17 September 2020.
- Adnan, Imran. 2020b. "Ehsaas Cash Programme: Biometric System Fails to Identify Thousands." *The Express Tribune*, 1 May. <<https://is.gd/3EmYM3>>. Accessed 17 September 2020.
- Afzal, Kiran. 2020. "COVID-19 Delays Activities of Pakistan's Domestic Tourism Industry." *World Bank blog*. <<https://is.gd/mcxUKS>>. Accessed 17 September 2020.
- Alam, Khurshid. 2020. "Tweet." *Twitter blog*, 25 August. <<https://is.gd/buseqT>>. Accessed 17 September 2020.
- Arruda, Pedro, Charlotte Bilo, Yannick Markhof, and Isabela Franciscon. 2020. "Overview of Non-Contributory Social Protection Programmes in South Asia from a Child and Equity Perspective." Brasília and Kathmandu: International Policy Centre for Inclusive Growth and UNICEF Regional Office for South Asia.
- Barrientos, Armando. 2010. "Poverty Reduction and Policy Regimes Thematic Paper." *Social Policy and Development Paper*, No. 42. Geneva: United Nations Research Institute for Social Development. <<https://is.gd/46ayg2>>. Accessed 17 September 2020.
- Benazir Income Support Programme. 2010. "BISP Act 2010." Benazir Income Support Programme website. <[https://bisp.gov.pk/SitelImage/Misc/files/BISP\\_ACT\\_2010.pdf](https://bisp.gov.pk/SitelImage/Misc/files/BISP_ACT_2010.pdf)>. Accessed 17 September 2020.
- Benazir Income Support Programme. 2020. "Benazir Income Support Programme." Benazir Income Support Programme website. <<https://bisp.gov.pk/index>>. Accessed 17 September 2020.
- Bourgault, Shelby, and Megan O'Donnell. 2020. "Women's Access to Cash Transfers in Light of COVID-19." *CGD Note*. Washington, DC: Center for Global Development. <<https://bit.ly/2SkbpMJ>>. Accessed 17 September 2020.
- Business Recorder. 2020a. "Ehsaas Mechanism: Will It Work?" *Business Recorder*, 8 April. <<https://is.gd/46ayg2>>. Accessed 17 September 2020.
- Business Recorder. 2020b. "Ehsaas Cash Programme for LoC Families Launched." *Business Recorder blog*, 27 June. <<https://www.brecorder.com/news/40001318>>. Accessed 17 September 2020.
- Citypopulation.de. n.d. "Azad Jammu and Kashmir." *Citypopulation.de website*. <<http://www.citypopulation.de/AzadKashmir.html>>. Accessed 17 July 2020.
- Dawn. 2020a. "Bank Alfalah's Facility for Ehsaas Cash Delivery." *Dawn.com website*, 11 April. <<https://www.dawn.com/news/1548203>>. Accessed 17 September 2020.
- Dawn. 2020b. "'Smart Lockdown' Imposed on Seven Cities in Punjab." *Dawn.com website*, 17 June. <<https://www.dawn.com/news/1563986>>. Accessed 17 September 2020.
- Farooq, Umar, and Gibran Peshimam. 2020. "WHO Recommends Pakistan Reimpose Intermittent Lockdowns as COVID-19 Cases Rise Sharply." *Reuters website*, 9 June. <<https://reut.rs/36qFSAY>>. Accessed 17 September 2020.

- Finance Division. 2015. Pakistan Economic Survey 2015. Islamabad: Ministry of Finance. <[http://www.finance.gov.pk/survey/chapters\\_16/highlights\\_2015\\_16.pdf](http://www.finance.gov.pk/survey/chapters_16/highlights_2015_16.pdf)>. Accessed 17 September 2020.
- Financial Inclusion Insights. 2017. "Financial Inclusion Insights Survey 2017." Financial Inclusion Insights website. <<http://finclusion.org/country/asia/pakistan.html>>. Accessed 17 September 2020.
- Fitch Ratings. 2020. "Pakistan's Public Finances Set to Remain a Rating Weakness." Fitch Wire blog, 18 June. <<https://is.gd/q3hbs5>>. Accessed 17 September 2020.
- Government of Pakistan. 2019. The Multi-Sectoral and Multi-Stakeholder Ehsaas Strategy. Islamabad: Government of Pakistan. <<https://is.gd/q3hbs5>>. Accessed 17 September 2020.
- Government of Bhutan. 2020. "Druk Gyalpo's Relief Kidu." Druk Gyalpo's Relief Kidu website. <<https://royalkidu.bt/>>. Accessed 17 September 2020.
- Government of Gilgit-Baltistan. 2013. Gilgit-Baltistan at a Glance 2013. Gilgit: Statistical Cell, Planning and Development Department. <<https://is.gd/7uerym>>. Accessed 17 September 2020.
- Government of Pakistan. 2020a. "Benazir Income Support Programme." Benazir Income Support Programme website. <<https://bit.ly/2SISSzG>>. Accessed 17 September 2020.
- Government of Pakistan. 2020b. "Ehsaas." Poverty Alleviation and Social Security Division website. <<https://www.pass.gov.pk/Detailf940ad3f-95a3-4c5a-b170-6f5afd423cbe>>. Accessed 17 September 2020.
- Government of Pakistan. 2020c. "Ehsaas Dashboard." Poverty Alleviation and Social Security Division website. <[https://www.pass.gov.pk/ecs/uct\\_all.html](https://www.pass.gov.pk/ecs/uct_all.html)>. Accessed 17 September 2020.
- Government of Pakistan. 2020d. Ehsaas' Kafaalat Programme. Islamabad: Poverty Alleviation and Social Safety Division. <<https://bit.ly/33omrHb>>. Accessed 17 September 2020.
- Government of Pakistan. 2020e. Federal Budget 2020-2021. Annual Budget Statement. Islamabad: Government of Pakistan. <<https://is.gd/UZyiDe>>. Accessed 17 September 2020.
- Government of Pakistan. 2020f. "National Socio Economic Registry (NSER)." Benazir Income Support Programme website. <<https://bit.ly/33ofZQo>>. Accessed 17 September 2020.
- Government of Pakistan. 2020g. "Pakistan Post/About Us." Pakistan Post website. <<http://www.pakpost.gov.pk/about.php>>. Accessed 17 September 2020.
- Government of Pakistan. n.d. "Ehsaas Programs." Poverty Alleviation and Social Security Division website. <<https://is.gd/Z2pHwS>>. Accessed 17 July 2020.
- Government of Punjab. 2020. "Tweet: Justice Assistance Program." Twitter blog, 11 May. <<https://twitter.com/GOPunjabPK/status/1259814571537248259>>. Accessed 17 September 2020.
- Government of Sri Lanka. 2020. "The Official Website of the President of Sri Lanka." Government of Sri Lanka website. <<https://www.president.gov.lk/>>. Accessed 17 September 2020.
- Greenfield, Charlotte. 2020. "Pakistan Concerned at Workers Returning from UAE with Coronavirus." Reuters website, 5 May. <<https://reut.rs/3cZMR5i>>. Accessed 17 September 2020.
- Greenfield, Charlotte, and Umar Farooq. 2020. "After Pakistan's Lockdown Gamble, COVID-19 Cases Surge." Reuters website, 5 June. <<https://reut.rs/3iu0Ukp>>. Accessed 17 September 2020.



Gulrez, Ali. 2020a. "NADRA Mobile Registration Vans Fast Tracking Ehsaas Program Verification." Independent News Coverage Pakistan website, 5 May. <<https://clck.ru/RHa9r>>. Accessed 17 September 2020.

Gulrez, Ali. 2020b. "Ehsaas Cash Program Second Phase [How to Apply]." Independent News Coverage Pakistan website, 3 May. <<https://bit.ly/30svULs>>. Accessed 17 September 2020.

ILO. 2017. ILO World Social Protection Report 2017-19: Universal Social Protection to Achieve the Sustainable Development Goals. Geneva: International Labour Organization.

ILO. 2020. "Impact of Lockdown Measures on the Informal Economy." ILO Brief. Geneva: International Labour Organization. <<https://bit.ly/3nkwfKn>>. Accessed 17 September 2020.

ILO. n.d. "Towards Fair and Sustainable Global Supply Chains: Promoting Decent Work for Invisible Workers in South Asia." International Labour Organization website. <<https://bit.ly/33qEJHU>>. Accessed 12 June 2020.

IMF. 2020a. "Policy Responses to COVID-19." International Monetary Fund website. <<https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#S>>. Accessed 17 September 2020.

IMF. 2020b. World Economic Outlook Update. Washington, DC: International Monetary Fund. <<https://www.imf.org/en/Publications/WEO/Issues/2020/06/24/WEOUpdateJune2020>>. Accessed 17 September 2020.

IPC-IG and UNICEF ROSA. 2020. "Socio-Economic Impacts of COVID-19, Policy Responses and the Missing Middle in South Asia." Policy Research Report, No. XX. Brasilia: International Policy Centre for Inclusive Growth.

Khan, Naveed Ahmad. 2020. "Unleashing the True Potential of SMEs in Pakistan." Daily Times, 27 January. <<https://bit.ly/3cQlvhX>>. Accessed 17 September 2020.

Kiani, Khaleeq. 2020. "Budget 2020-21: Budget Aims for Trillion Rupee Tax Revenue Hike with 'No New Taxes.'" Dawn.com website, 13 June. <<https://www.dawn.com/news/1563189>>. Accessed 17 September 2020.

Kidd, Stephen, and Diloá Athias. 2020. Hit and Miss: An Assessment of Targeting Effectiveness in Social Protection with Additional Analysis. Orpington, UK: Development Pathways. <<https://bit.ly/3l97KO9>>. Accessed 17 September 2020.

Lakner, Christoph, Daniel Gerszon Mahler, Mario Negre, and Espen Beer. 2020. "How Much Does Reducing Inequality Matter for Global Poverty?" Global Poverty Monitoring Technical Note, No. 13. Washington, DC: World Bank. <<https://bit.ly/33tnVjz>>. Accessed 17 September 2020.

Maintains. 2020. "Maintains—Research Supporting Social Services to Adapt to Shocks." Maintains website. <<https://maintainsprogramme.org/>>. Accessed 17 September 2020.

Malik, Tariq, and Alan Gelb. 2020. "Is COVID-19 Pakistan's Black Swan Event for Digital Payments?" Center For Global Development blog, 1 May. <<https://is.gd/WJx5yr>>. Accessed 17 September 2020.

Mati. 2020. "17,000 Points Established for Payment under Ehsaas Emergency Cash Program." Dispatch News Desk blog, 9 April. <<https://is.gd/WJx5yr>>. Accessed 17 September 2020.



- Ministry of Finance. 2019. Pakistan Economic Survey 2018-19. Islamabad: Ministry of Finance. <<https://is.gd/6dBqkj>>. Accessed 17 September 2020.
- Ministry of Finance. 2020. Budget Speech 2020-21. Islamabad: Ministry of Finance. <<https://is.gd/5dqeOh>>. Accessed 17 September 2020.
- Moody's. 2019. "Rating Action: Moody's Changes Pakistan's Outlook to Stable from Negative, Affirms B3 Rating." Moody's Investors Service website, 2 December. <<https://bit.ly/2SiepJB>>. Accessed 17 September 2020.
- Nadeem, Umar, and Mosharraf Zaidi. 2020. "Pakistan's Bold Covid-19 Income Support: A Portal For Fiscal Transformation?" Tabadlab blog, 31 March. <<https://is.gd/5dqeOh>>. Accessed 17 September 2020.
- Nishtar, Sania. 2020a. Ehsaas Emergency Cash: A Digital Solution to Protect the Vulnerable in Pakistan during the COVID-19 Crisis. Islamabad: Poverty Alleviation and Social Safety Division. <<https://is.gd/Bpc1Af>>. Accessed 17 September 2020.
- Nishtar, Sania. 2020b. Ehsaas Emergency Cash: Social Protection Response to Coronavirus. Islamabad: Poverty Alleviation and Social Safety Division. <<https://is.gd/CRzzqs>>. Accessed 17 September 2020.
- Nishtar, Sania. 2020c. "COVID-19: Using Cash Payments to Protect the Poor in Pakistan." The World Economic Forum COVID Action Platform blog, 5 May. <<https://is.gd/CRzzqs>>. Accessed 17 September 2020.
- Nishtar, Sania. 2020d. "Final Breakdown of EEC Beneficiaries." Sania Nishtar Twitter blog, 17 June. <<https://twitter.com/SaniaNishtar/status/1273135928488472576>>. Accessed 17 September 2020.
- Nishtar, Sania. 2020e. "EEC Expansion." Sania Nishtar Twitter blog, 17 July. <<https://is.gd/jcLpvy>>. Accessed 17 September 2020.
- Pakistan Bait-ul-Mal. 1991. Pakistan Bait-ul-Mal Act 1991. Islamabad: Government of Pakistan. <<http://www.pbm.gov.pk/Act.pdf>>. Accessed 17 September 2020.
- Pakistan Bureau of Statistics. 2016. "HIES 2015-16 Write-Up." Islamabad: Pakistan Bureau of Statistics. <<https://is.gd/RcCGvN>>. Accessed 17 September 2020.
- Pakistan Bureau of Statistics. 2017. "Province Wise Provisional Results of Census - 2017." Islamabad: Pakistan Bureau of Statistics. <<https://is.gd/R6uxLB>>. Accessed 17 September 2020.
- PIDE. 2020. "Sectoral Analysis of the Vulnerably Employed: COVID-19 and the Pakistan's Labour Market." COVID-19 Bulletin, No. 4. Islamabad: Pakistan Institute of Development Economics. <<https://www.pide.org.pk/pdf/PIDE-COVID-Bulletin-4.pdf>>. Accessed 17 September 2020.
- Radio Pakistan. 2020. "Sindh Govt Extends Lockdown till August 15." Radio Pakistan blog, 17 July. <<http://www.radio.gov.pk/17-07-2020/sindh-govt-extends-lockdown-till-august-15>>. Accessed 17 September 2020.
- Radio Valley, Bhutan. 2020. "Are You Eligible for Druk Gyalpo Relief Kidu?" Radio Valley, Bhutan Facebook page. <<https://bit.ly/2Syb7IH>>. Accessed 17 September 2020.

- Rana, Shahbaz. 2020. "IMF Urges Pakistan to Freeze Govt Salaries." *The Express Tribune*, 5 June. <<https://tribune.com.pk/story/2235689/2-imf-urges-pakistan-freeze-govt-salaries/>>. Accessed 17 September 2020.
- Sandford, Alasdair. 2020. "Coronavirus: Half of Humanity Now on Lockdown as 90 Countries Call for Confinement." *Euronews*, 3 April. <<https://bit.ly/3cRU72O>>. Accessed 17 September 2020.
- Shah, Anwer. 2012. "The 18th Constitutional Amendment: Glue or Solvent for Nation Building and Citizenship in Pakistan?" *Lahore Journal of Economics* 17(September): 387–424. <<https://bit.ly/3cUmEop>>. Accessed 17 September 2020.
- ShuHong, Yu, Malik Zia-ud-din, and Khalid Ranjha. 2017. "Social Protection Schemes in Pakistan: Assessment of Existing Programs." *Academic Journal of Business, Administration, Law and Social Sciences* 3(2): 216–236.
- Syeda, Mahnaz Hassan. 2015. "Making an Impact Analysis of Social Protection Programs in Pakistan." *Journal of the Research Society of Pakistan* 52 (1).
- The News. 2019. "Financial Inclusion in Pakistan." *The News*, 12 September. <<https://bit.ly/33pUeQa>>. Accessed 17 September 2020.
- UN Department of Global Communications. 2020. "UN Supporting 'Trapped' Domestic Violence Victims during COVID-19 Pandemic." *United Nations COVID-19 Response blog*, 12 June. <<https://is.gd/9aRjfk>>. Accessed 17 September 2020.
- UNDESA. 2019. *World Population Prospects 2019: Data Booklet*. New York: United Nations Department of Economic and Social Affairs. <<https://is.gd/02BAaY>>. Accessed 17 September 2020.
- UNDP. forthcoming. *Multidimensional Vulnerability Index*. New York: United Nations Development Programme
- UNESCAP. 2008. *The Promise of Protection Social Protection and Development in Asia and the Pacific*. Bangkok: United Nations Economic and Social Commission for Asia and the Pacific, 128.
- UN Women. 2020. "COVID-19 and Ending Violence Against Women and Girls." *Issue Brief*. New York: UN Women. <<https://bit.ly/3nkn4CX>>. Accessed 17 September 2020.
- World Bank. 2020a. "Poverty & Equity Data Portal: Pakistan." *Poverty & Equity Data Portal*. <<http://povertydata.worldbank.org/poverty/country/PAK>>. Accessed 17 September 2020.
- World Bank. 2020b. *Poverty and Equity Brief: Pakistan*. Washington, DC: World Bank Group. <<https://bit.ly/3cSYeM9>>. Accessed 17 September 2020.
- World Bank. 2020c. *Projected Poverty Impacts of COVID-19 (Coronavirus)*. Washington, DC: World Bank. <<https://is.gd/mUgCpD>>. Accessed 17 September 2020.
- World Bank. 2020d. *Global Economic Prospects*. Washington, DC: World Bank, January.
- World Bank. 2020e. *South Asia Economic Focus*. Washington, DC: World Bank, April.
- World Bank. 2020f. *Global Economic Prospects*. Washington, DC: World Bank, June.
- Zia-ud-din, Malik, Yu ShuHong, and Khalid Ranjha. 2020. "Social Protection Schemes in Pakistan: Assessment of Existing Programs." *Academic Journal of Business, Administration, Law and Social Sciences* 3(2).



**International Policy Centre for Inclusive Growth (IPC-IG)**

SBS, Quadra 1, Bloco J, Ed. BNDES, 13º andar  
70076-900 Brasília, DF - Brazil  
Telephone: +55 61 2105 5000

[ipc@ipcig.org](mailto:ipc@ipcig.org) ■ [www.ipcig.org](http://www.ipcig.org)