PAKISTAN

PROGRAM-FOR-RESULTS

PAKISTAN NATIONAL SOCIAL PROTECTION PROGRAM

Environmental and Social Systems Assessment
(ESSA)

FINAL REPORT

The World Bank

January 26, 2017

PAKISTAN
National Social Protection Program

Environmental and Social Systems Assessment (ESSA)

Table of Contents

TABLES

FIGURES

BOXES

ABBREVIATIONS AND ACRONYMS

AC	Assistant Complaints
AD	Assistant Director
BDC	Benazir Debit Card
BISP	Benazir Income Support Program
BBC	BISP Beneficiaries Committee
CNIC	Computerized National Identity Cards
DD	Divisional Director
DLI	Disbursement Linked Indicator
ESSA	Environmental and Social Systems Assessment
FATA	Federally Administered Tribal Area
GoP	Government of Pakistan
GRM	Grievance Redress Mechanism
HDR	Human Development Report
IP	Indigenous People
IPF	Investment Project Financing
IT	Information Technology
KPK	Khyber-Pakhtunkhwa
M&E	Monitoring and Evaluation
MIS	Management Information System
MRV	Mobile Registration Vehicle
NADRA	National Database and Registration Authority
NGO	Nongovernmental Organization
NSER	National Socioeconomic Registry
NSPP	National Social Protection Program
OM	Operation Manual
OW	Operations Wing
PAD	Project Appraisal Document
PAP	Program Action Plan
PCMS	Payment Complaints Management System
PCR	Physical Cultural Resources
PDO	Project Development Objectives
PforR	Program for Results

PIC	Public Information Campaign
PMT	Proxy Means Test
POS	Point of Sale
RBF	Results Based Financing
SMC	Social Mobilization Coordinator
SO	Social Organizer
SOP	Standard Operating Procedure
TA	Technical Assistance
UNDP	United Nations Development Program
VfM	Value for Money
WeT	Waseela-e Taleem

PAKISTAN NATIONAL SOCIAL PROTECTION PROGRAMME

Environmental and Social Systems Assessment
(ESSA)

EXECUTIVE SUMMARY

Purpose Of ESSA

1.   The Environmental and Social Systems Assessment (ESSA) has been prepared by the World Bank for the proposed National Social Protection Program (NSPP). The ESSA focused on social aspects only as the initial screening and assessment of NSPP design clearly indicated that there were no significant environmental impacts of the Program. The Initial Risk Screening also highlighted that Principles 1, 5 and 6 of the ESSA pertaining to the Overall Management of Social Risks, Access to NSPP Benefits by the Marginalized, Vulnerable and Indigenous People (IP) and Social Conflict [1]were relevant for the ESSA exercise.

2.   ESSA includes the following information: (a) a summary of social risks and benefits associated with the proposed activities required to achieve the Program Development Objective (PDO) and the Disbursement Linked Indicators (DLIs) for each results area; (b) an assessment of the borrower's social management systems thatapply to these activities; (c) an evaluation of the borrower's performance and track record in implementing social management systems; (d) an assessment of the extent to which the borrower's environmental and social management systems are consistent with the Bank's core environmental and social principles in relation to the Bank's policy and associated guidance materials; and (e) a set of recommendations and actions which the borrower has agreed to undertake to improve the implementation of applicable systems.

3.   This report was prepared by the Bank staff and consultants through a combination of reviews of existing program materials and available technical literature and essentiallya qualitative field research consisting of interviews with key informants, focus groups discussions and administration of a questionnaire to BISP's field staff. Findings of the assessment will be used in the formulation of an overall Program Action Plan (PAP) with key measures to improve social management outcomes of the Program. The findings, conclusions and opinions expressed in the ESSA document are those of the Bank. Recommendations contained in the analysis have been discussed and agreed with the Government of Pakistan and counterparts.

Program Objectives, Result Areas And Disbursement Linked Indicators

4.   The Program Development Objectiveis to strengthen the national social safety net systems for the poor to enhance their human capital and access to complementary services.

   i.   The Program will advance strengthening of safety net systems, which in turn will:
      a. Consolidate the achievements, and ensure effective delivery of basic income support and cash transfers linked to education co-responsibilities, which collectively demonstrated impact on promoting the human capital development of children by reducing short term malnutrition and improving enrolment and attendance to basic education.
      b. Improve beneficiaries' access to complementary services with the ultimate goal of providing the poor with opportunities to achieve self-sufficiency over the longer run.

   ii.   Specific interventions to be supported by the Program fall into the following two result areas:
      (i) *Institutional and Systems Development*including update of the NSER, and strengthening administration and service delivery of BISP programs.
      (ii) *Income Support for Human Development and Access to Complementary Services* including consolidation and expansion of the WeT program, and facilitating beneficiaries' access to complementary social and productive services.

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[1] A core principal of the ESSA is to "avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes." Page 6, Interim Guidance Note on Environment and Social Systems Assessment, The World Bank, Operations Policy and Country Services, June 18, 2012.

Result Area One: Institutional and Systems Development

5.   **Update of National Socio-Economic Registry (NSER)**. The Program will support nationwide update of the NSER to maintain a relevant and credible registry. This will build upon the lessons learned from the ongoing first phase of the NSER update, which is being implemented in 16 districts by using a revised PMT formula. The first phase is using a combination of door-to-door survey and on-demand registration in selected districts. A Value for Money (VfM) analysis is being carried out to assess the comparative outcomes of each approach. The results of the VfM study will inform the final approach for the national rollout of the NSER update.

6.   **Improved Safety Net Administration and Strengthened Service Delivery.** The Program will support the government to improve BISP systems and operations towards a more beneficiary centric service delivery model. This includes support to enhance theBISP MIS with adequate procedures for data cross checks, and regular internal and external reporting standards for improved transparency and accountability.BISP Tehsil offices are the frontline for program operations, however, they face capacity constraints and have inadequate service delivery procedures and standards.[2] BISP's future operational trajectory will entail expanded responsibility of Tehsil office staff vis-à-vis: implementation of the WeT program; increased interaction with and support to BBCs; and integrated case management of beneficiaries. The Program will support a result-oriented revision of the current operating model for the field offices along with implementation of the new model.The Program will also support enhanced communication as a critical component of improved service delivery.

Result Area Two: Income Support for Human Development and Access to Complementary Services

7.   **Consolidation and Expansion of Waseela-e-Taleem**. The Program will support consolidation and scale-up of the WeT program to boost enrolment and attendance of primary education of BISP beneficiaries' children (5-12 year old) in the districts where the supply side capacity is favorable. The Program will support expansion of the WeT from 32 to 50 districts nationwide.This will include adjustment of WeT implementation arrangements vis-à-vis the roles of key actors i.e. BISP, provinces, and implementation partners. BISP will devise suitable models of collaboration and coordination between federal and provincial authorities, district education officials, and other local actors. The Program will support capacity building of all key actors, including the local governments in accordance with their roles in the WeT implementation process. Capacity building of BBCs will be a key element in the expansion of the Wet program. These committees serve as a vital platform to reinforce compliance with WeT co-responsibilities, and will have to be further strengthened to carry on this role. The Program will support BBCs' role to enhance communications between BISP and its beneficiaries. In addition, BBCs will be leveraged to share information about the importance of education for children, provide information about service delivery in education, and at the same time offer an opportunity for the beneficiaries to share their concerns with the service providers.

8.   **Access to Complementary Social and Productive Services**.The Program will facilitate BISP beneficiaries' access to complementary social and productive services with an expectation that, over time, participation in these programs will contribute to theirimproved welfare and economic self-sufficiency. Social programs include, among others, education, nutrition, and health services such as the Prime Minister's National Health Insurance scheme. Productive services would include labor market interventions such as access to finance, formal and non-formal skills training, and asset transfer schemes such as the one administered by the Pakistan Poverty Alleviation Fund (PPAF).The Program will support assessment of beneficiary characteristics at union council level by using the updated NSER data to identify needs vis-à-vis the relevant complementary services.The Program will support the management tools to operationalize linkages.

Technical Assistance (US$10 million equivalent)

9.   A Technical Assistance (TA) component will be an Investment Project Financing (IPF) loan for an amount of US$10 million. The objective of the TA component is to strengthen the capacity of the implementation agency to design, deliver, and monitor and evaluate the activities needed to achieve the Program objectives. The Operation will provide strategic TA to guide the achievement of DLIs and Program Actions;

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[2] Currently, there are 383 functional Tehsil offices out of a total sanctioned number of 452. The gap in numbers is due to poor security, poor accessibility and few number of current beneficiaries in areas with non-functional Tehsil offices.

support capacity building of the implementing agency, BISP, where necessary; and finance specialized inputs as identified by BISP. This will be achieved through assistance in four programmatic areas: development of a dynamic National Socio-Economic Registry (NSER) model; Monitoring and Evaluation (M&E); capacity building; and strengthening of fiduciary, social and environmental controls.

Table 1.1: Disbursement Linked Indicators

	Total Financing Allocated to DLI (US$ million)	As % of Total Financing Amount	DLI Baseline	Unit of Measurement (No, %, Y/N, text)	Indicative Timeline for DLI/DLR Achievement					Scalability of Disbursements (Yes/No)	Type of DLI (Process, Output Intermediate Outcome Outcome)
					Y0 or Prior Results	Year 1	Year 2	Year 3	Year 4		
DLI 1. Percentage of BISP beneficiary households from Phase 2 (national rollout) districts with updated Poverty Score Card (PSC) information in the NSER			0	%		At least 10% of BISP beneficiary households form Phase 2 districts have updated PSC information in the NSER	Up to 50% of BISP beneficiary households from Phase 2 districts have updated PSC information in the NSER	Up to 80% of BISP beneficiary households from Phase 2 districts have updated PSC information in the NSER	(No DLR in this period)	Yes	Intermediate Outcome
Allocated amount: (US$, millions)	35	38.89				15	10	10	—		
Definition/ Description of achievement	This DLI measures the update of welfare information of current BISP beneficiary households in the NSER. The nationwide update of the NSER aims to include all households in Pakistan interested to provide information. In accordance with the operational guidelines of the NSER update, information on household welfare gathered through the PSC Survey will be entered into the NSER database. All surveyed households will receive new PMT scores.										

	The update of welfare information of current BISP beneficiary households in the NSER can be robustly measured based on the unique national ID of the recipients of benefit transfers (a prerequisite to access BISP benefits). This DLI will be met when PSC information of the target percentage of BISP beneficiary households (current beneficiaries FY2016/2017 Q2[*]) from the NSER update Phase 2 have been updated. Phase 2 districts include all districts of Pakistan except the first 16 districts included in Phase 1 of the NSER update.									
Formula					US$15 million to be disbursed on achievement of 10% DLR	Scalable after the DLR for Year 1 has been met. Subsequently $2,500,000 will be disbursed for every 10 percentage points increase in the DLR, up to the DLR for this Year 2	Scalable after the DLR for Year 2 has been met. Subsequently $5,000,000 will be disbursed for every 15 percentage points increase in the DLR, up to the DLR for this Year 3	—		
DLI 2. Percentage of tehsil offices with adequate skills and performing redefined responsibilities in accordance with Operational Guidelines		Currently, BISP has not redefined staff responsibilities to align with new tehsil office functions, therefore, no staff have been trained accordingly	%		(No DLR in this period)	(No DLR in this period)	At least 20% of tehsil offices trained and performing redefined responsibilities	Up to 40% of tehsil offices trained and performing redefined responsibilities	Yes	Output/Intermediate Outcome

	.									
Allocated amount: (US$, millions)	5	5.56			—	—	3	2		
Definition/ Description of achievement	This DLI refers to adequate capacity in tehsil offices for improved services to beneficiaries. This will be based on the field office capacity assessment; operational guidelines duly approved by the Secretary, BISP; a training module for new responsibilities; a training plan and refresher training plan; and trainings imparted to 40% tehsil offices with fair distribution across provinces and regions. Redefined responsibilities will include, but will not be limited to integrated case management—as defined in the operational guidelines.									
Formula					—	—	US$3 million to be disbursed on achievement of 20% DLR.	scalable after the DLR for Year 3 has been met. Subsequently $1,000,000 will be disbursed for every 10 percentage points increase in the DLR, up to the DLR for this Year 4		
DLI 3. MIS enhancement action plan implemented			No system audit has been done on the BISP MIS	Yes/No	(No DLR in this period)	(No DLR in this period)	BISP MIS audit has been completed, and accompanying MIS enhancement action plan has been implemented	(No DLR in this period)	No	Output/Intermediate Outcome
Allocated amount:	5	5.56			–	–	5	–		

Definition/ Description of achievement	This DLI aims to enhance the data integrity, security, and operational soundness of the BISP MIS including NSER. The DLI will be met when an independent audit firm, with established expertise, conducts a complete audit of the overall BISP information systems including their modules; and a time-bound action plan for enhancement is developed and satisfactorily implemented.								
Formula	—				—	—	—	—	
DLI 4. Number of Waseela-e-Taleem (WeT) districts where WeT related functions are carried out by provincial and tehsil offices in accordance with revised Operational Guidelines			0	%	(No DLR in this period)	In at least 32 WeT districts, WeT related functions are being carried out by provincial and tehsil offices in accordance with operational guidelines	(No DLR in this period)	In up to 50 WeT districts, WeT related functions are being carried out by provincial and tehsil offices in accordance with offices operational guidelines	Yes	Output/Intermediate Outcome
Allocated amount:	10	11.11			—	5	—	5		
Definition/ Description of achievement	The objective of this DLI is to ensure continuity of key WeT functions through their internalization within the responsibilities of designated BISP staff. This will be elaborated in the revised WeT operational guidelines to be approved by the Secretary BISP. This DLI will be met when the below outlined functions are included in tehsil and provincial office KPIs; and offices are accordingly carrying out these responsibilities as measured through annual performance measurement arrangements. Provincial functions include microsupply capacity assessment and coordination with provincial education departments. Tehsil office responsibilities include ongoing registration of beneficiary children and data entry for compliance verification. Functions will be outlined in operational guidelines for provincial and tehsil offices.								

Formula				—	US$5 million to be disbursed on achievement of 32 districts DLR.	—	scalable after the DLR for Year 2 has been met. Subsequently, $2,5000,000 will be disbursed for every 9 point increase (9 districts) in the DLR up to the DLR for this Year 4.			
DLI 5. Number of children of WeT beneficiary families paid for at least two consecutive quarters based on compliance with attendance co-responsibilities		0.5 million children	%		(No DLR in this period)	(No DLR in this period)	At least 1 million children of WeT beneficiary families are paid for at least two consecutive quarters based on compliance with attendance co-responsibilities	Up to 1.5 million children of WeT beneficiary families are paid for at least two consecutive quarters based on compliance with attendance co-responsibilities	Yes	Outcome
Allocated amount:	20	22.22		—	—	10	10			
Definition/ Description of achievement	The DLI will be met when the BISP MIS confirms that the designated number of children are attending school and corresponding families have been paid for two consecutive quarters against compliance data collected and analyzed for each respective quarter. BISPs' MIS compliance monitoring data is used to generate payment lists against which the PSP release funds to respective beneficiaries. Families are considered paid for each of the two consecutive quarters when money is transferred by the PSP to beneficiary accounts.									

Formula				—	—	US$10 million to be disbursed on payment to 1 million children.	scalable after the DLR for Year 3 has been met. Subsequently, $2,000,000 million will be disbursed upon payment to every 100,000 children up to the DLR for this Year 4.		
DLI 6. Number of Union Councils in WeT districts that have at least one BISP Beneficiary Committee (BBC) formed and respective mother leader trained on core WeT functions		1,600 Union Councils	Numbe r		(No DLR in this period)	In a minimu m of 2,000 Union Councils in WeT districts, at least one BISP Benefici ary Committ ee has been formed and respectiv e mother leader trained on core WeT function s	(No DLR in this period)	In a minimum of 2,500 Union Councils in WeT districts, at least one BISP Beneficiary Committee has been formed and respective mother leader trained on core WeT functions	Yes	Output/Intermedi ate Outcome

Allocated amount:	5	5.56				—	3	—	2	
Definition/ Description of achievement	This DLI measures progress in the formation and training of the BBCs, essential for WeT implementation. At least one BBC should be formed and trained in all Union Councils (where there at least 10 WeT beneficiary families) in each of the 50 WeT districts. The protocols for BBC formation require that at least one meeting of the BBC has been held, and BBC mother leaders receive training on core WeT functions. These include their role as an outreach mechanism, motivating WeT compliance, and providing feedback to BISP and its implementing partners.									
Formula	—					—	—	—	—	
DLI 7. Percentage of Union Council with information on aggregated characteristics of BISP beneficiaries available at all administrative levels for provision of complementary services			0	%	(No DLR in this period)	(No DLR in this period)	(No DLR in this period)	For at least 60% of Union Councils, BISP has developed and made available (online and for provincial/tehsil offices), information on aggregated characteristics of BISP beneficiaries for provision of complementary services	No	Output/Intermediate Outcome
Allocated amount:	5	5.56				—	—	—	5	
Definition/ Description of	This DLI measures progress in the analysis and availability of data on beneficiary characteristics for the delivery of complementary services. To facilitate access to these services, BISP will develop an online module to assess beneficiary characteristics using updated PSC information. The DLI will be met when information on beneficiary characteristics is available online for 60% of Union Councils; and available for use by provincial and tehsil levels, in accordance with									

achievement	the complementary services operational guidelines.									
Formula					—	—	—	—	
DLI 8. Number of BISP beneficiary households with at least one member enrolled in at least one complementary service.			34,736	Number		(No DLR in this period)	(No DLR in this period)	(No DLR in this period)	At least 400,000 BISP beneficiary households have at least one member enrolled in at least one complementary service	No	Outcome
Allocated amount:	5	5.56			—	—	—	5		
Definition/ Description of achievement	This DLI measures progress in systematically facilitating access of BISP beneficiary households (including their members) with complementary social and productive services for which monitoring mechanisms are in place in accordance with complementary services operational guidelines. Beneficiary households are those who are receiving basic income support at the time of enrollment of their members into complementary service. BISP will develop a database of complementary service providers and enrollment numbers with the MoUs to monitor uptake of services by BISP beneficiaries.									
Formula	—				—	—	—	—	
Total Financing Allocated:	90	100								

Environmental Impacts

10.   The original project was rated as a category "C" as it was anticipated to have noenvironmental impacts.The proposed PforR operation is consistent with the requirements of Bank policy in that it does not undertake or support activities, which are considered to be a high risk from an environmental perspective. The overall scope of the Program is to strengthen the Government's existing social safety net systems and ensure effective delivery of basic income support and cash transfers linked to education co-responsibilities, which collectively demonstrated impact on promoting the human capital development of children by reducing short term malnutrition and improving enrolment and attendance to basic education. Similarly, the interventions of the program cover the two result areas ofa) *Institutional and Systems Development,* including update of the NSER, and strengthening administration and service delivery of BISP programs and *b) Income Support for Human Development and Access to Complementary Services,* including consolidation and expansion of the WeT program, and facilitating beneficiaries' access to complementary social and productive services. The overall analysis indicates that the cash transfers are leading to improved wellbeing among beneficiaryhouseholds and have not resulted in any negative effects on the environment. It is anticipated that the project will continue to have no negativeenvironmental effects with not any physical and infrastructure interventions in future.

Social Impacts

11.   As a Program with the largest coverage of any income support program in Pakistan, the NSPP will lead to positive benefits for the poor households, especially women. Moreover, social benefits will include greater coverage of the poor (vulnerable, marginalized, etc.) and greater proximity of the Program to the poor. The Program will facilitate further refiningof the on-goingprogram through a new NSER design and linking of the beneficiaries to complementary programs. There will be an increased feedback from the poor to fine tune payment delivery systems and decrease delays in payment processing and delivery and reduction of non-deserving recipients. The concept paper on new payment system emphasizes that beneficiary centric payments will result in more transparency due to biometric-enabled disbursement, ease ofaccess to beneficiaries through establishing more touch points for payment deivery, facilitating the exceptional cases by personalized debit card whose biometric verification is an issue, alternative mechanism of payment in far-flung areas and training of agents and communities.

12.   ESSA reveals that key risks can be grouped under (i) access to program benefits for marginalized, vulnerable people and IP as well as (ii) social conflict – Core Principles of the ESSA. These Core Principles were selected based on the initial risk screening of Program interventions (See Annex XII).

13.   The women beneficiaries belong to not just a very poor group but also a highly marginalized and "voiceless" group that lacks literacy, agency and power.Field consultations reveal that lack of financial knowledge, dependence on men for financial/public matters and lack of awareness about financial literacy has often presented hurdles in the way that women access and use the grants. Other studies (such as the*Second Impact Evaluation*)found that about 64% of women retain use of the cash, ESSA consultations also found cases where men keep money withdrawn on behalf of women. Biometric verification for payment withdrawal, which the NSPP intends to introduce, will prove instrumental in reducing this risk. The Second Impact Evaluation of the BISP program[3]highlights that more than 96% of beneficiaries are satisfied with their payments and use of the debit card.On the other hand, literature also confirms that lack of familiarity with the payment instrument, lack of access to information and inexperience in handling documents at times create issues for BDC users. In 35% of the cases that Mott MacDonald and DFID reviewed, either the beneficiary had lost, misplaced or damaged the BDC. In 31% of the cases she had lost the PIN. Almost 23% had their cards blocked, and 8% had exchanged it with another card and card capture was reported by 5%[4]. The ESSA field survey supports this finding and the field evidence suggests that most beneficiaries do receive their grant. However, the ESSA found that several intermediaries often take advantage of women's vulnerabilities. This is mainly due to the constraints on women's mobility. Often, guards for the representative bank were identified as one such type of intermediary. BISP beneficiaries often find it cheaper to pay a voluntary fee to anyone who travels and withdraws payments on their behalf. In addition to mobility problems, lack of financial literacy among BISP beneficiaries plays a major role in creating space for intermediaries to access payments on behalf of beneficiaries. It is vital that above issues are clearly understood while finalizing the new payment mechanisms.

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[3]http://www.bisp.gov.pk/Others/2ndImpactEvaluation.pdfhttp://www.bisp.gov.pk/Others/2ndImpactEvaluation.pdf
[4] Spot Checks and Beneficiary Feedback, Grievance Redress Report, GRR-1, 2014. P. 34

14.   While BISP's Case Management Reports and WeT Case Management reports[5] state that most of the complaints received are resolved, some beneficiary women from the ESSA's qualitative sample shared that their grievances date back to several months to a year and a half.[6] Furthermore, findings from the ESSA field assessmentconfirm thatmost of the beneficiaries are unaware of the complaints process. Under the new payments mode, a comprehensive payments MIS has been proposed that will integrate payments complaints and grievances with partner payment service providers/banks' MIS interfac. This will allow for more efficient tracking of payment GRM.

15.   Initially, BISP started cash disbursements through Pakistan Post using Money Order system in 2008. Subsequently it conducted pilots in 2010 (with National Database and Registration Authority – NADRA –using Smart Card) and in 2011 (with Banks and Telecoms using Mobile Banking). Today bulk of payments are disbursed using Debit Cards issued by Banks which are used by Beneficiaries at ATMs all across Pakistan and at designated Point of Sale (POS) locations.

16.   NSPP also needs a mechanism to address registration (for inclusion in BISP) issues faced bymobile population. Similarly, vulnerable groups often move from place to place for livelihood or for basic survival. It is difficult to help such mobile population as BISP procedures, currently in place, find this complicated. The Bank is supporting BISP to advance towards a more dynamic NSER, but the institutional infrastructure at the local level (local governments) in Pakistan needs to be further strengthened before taking a step further. In the past, the Government has proposed Mobile Registration Vehicles (MRVs) as a measure to reach out to mobile communities. ESSA understands that registration of mobile populations (displaced as well as nomads) is a very sensitive matter and only a properly devised system-based intervention can serve as a sustainable solution. For this purpose, BISP must proactively engage with NADRA, the country's registration authority, and agencies with direct experience of registering mobile populations to develop a mechanism that allows mobile communities and individuals to be recorded, verified and updated.

17.   NSPP rolled out a social mobilization process in selected districts for Waseela-e Taleem (WeT). This served as a vehicle for beneficiary women to develop a platform for not just accessing education for the children but, in some cases,supporting each other for improved access to BISP benefits. While social mobilization improved school enrolment under WeT, its potential to check rent-seeking, use group dynamics for greater communication between BISP and its beneficiaries, enable beneficiaries to voice their concerns and support dissemination remained largely untapped. BISP will roll out the social mobilization process under NSPP and the ESSA strongly endorses this initiative. However, a number of steps need to be taken by BISP to ensure that social mobilization serves to build trust, facilitate communication and check rent seeking. Unless social mobilization is implemented in an effective manner in tune with local communities, it can present serious problems.

18.   ESSA field missions and stakeholder consultations reveal that the Kalash (the Indigenous People) have a peculiar and distinct understanding of poverty that does not overlap with the mainstream definitions that place emphasis on asset ownershipat household level. Their assets have a transient quality, are communally owned and are neither permanent nor a source of regular income. Further, their definition of households is also transient and embedded in their attitudes to the institution of marriage as defined in their culture. During the previous poverty score card survey (2010), communication problems were reported between survey teams and Indigenous People (IP) communities; and survey result interpretation of Kalash assets as some regular sources of income (when in reality this is/was not the case) led to the exclusion of several otherwise poor households in the valley[7]. The ESSA recommends BISP to explore means through which it can extend its reach to Indigenous Peoplemore systematically.

19.   ESSA assessment shows that there is no risk of overt social conflict as a result of Program design. Initial risk screening analysed political conflict and conflict from ineligible people but found that both potential sources of conflict are non-existant. BISP has enjoyed political support from successive governments over its implementation. Further, conflict from non-recipients towards BISP beneficiaries was not supported by field evidence. While there may be complaints by individuals who deem themselves to be eligible, this does not translate into hostility towards those actually receiving grants. However, there are some issues that lead to

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[5] According to a Case Management Report, 93% of complaints were resolved using technology based systems. According to WeT case management report 60% of complaints are resolved in less than 90 days.
[6] Since this is against a predefined period for redress and indicate sub-optimal efficiency ESSA would appreciate if BISP Head Office can acquire further information from its Tehsil offices and address such pending issues. Data was collected in presence of BISP field staff and they are well placed to provide more information on individual cases
[7] The IP are based in three valleys i.e. Birir, Rumbur and Bumburet. The %age coverage of IPs in above three valleys was mentioned as 3-4 % by BISP Tehsil Office in Chitral.

tensions such as (i) unfriendlybehaviorbetween BISP staff and beneficiaries (both towards BISP staffby beneficiaries as well as from BISP staff towards beneficiaries) and (ii) inter-agencycoordination issues and some misplaced expectations.

Assessment of the Borrower's System

20.   The BISP Act, Operations Manual (OM) and NSER are clear about providing Program benefits to the poor through women recipients. The eligibility criteria as defined in BISP OM defines that the provisions of the program are non-discriminatory and no significant aspects of the program leads to discrimination against minorities, certain women or age groups, nomads, disabled, IPs,etc. Further, the Program has flexibility to include some vulnerable groups such as disabled and elderly even if they are slightly above the eligibility criteria.Although the non-discriminatory nature is clear – the program does not ensure inclusivity of some vulnerable groups such as communities facing disasters and insecurity and neither does it adopt any specific measures to reach out to the IP, a particularly marginalized and disadvantaged group.[8]

21.   BISP has a Social Mobilization Manual and related guidelines and operations documents focusing on WeT. Yet at the field level, human resource and financial capacity prevents proper implementation of what has been envisaged as a system in these documents. Further, BISP does not have the institutional capacity to steer the social mobilization process to achieve improved inclusion of beneficiaries. This institutional capacity building is essential if BISP aims to use the social mobilization process effectively.

22.   Capacity is also required in various operational areas to address possible tensionsarising from inadequate crowd management. BISP staff are inadequate in number to deal with the volume of demand. Staff capacity needs to be strengthened with respect tocritical skills such as crowd management, information sharing protocols, etc. BISP offices need to be properly equipped for both program management and safety. Further, BISP offices need to be adequately equipped to serve beneficiaries who often travel long distances to get there.

Stakeholder Consultations

23.   A Consultative Workshop took place with stakeholders as well as BISP on 25th November 2016. Several issues emerged on NSER and social mobilization (discussed in detail in Section 7). BISP assured the World Bank that it would consider adopting all recommendations seriously.

Recommendations and Proposed Actions

24.   ***Policy Related Recommendations***

- BISP needs to strengthen its policy specifically with respect to vulnerability, IPs and social mobilization. On a policy level, BISP can benefit from clarity on what constitutes vulnerability. BISP uses terms such as marginalized, vulnerable, poor, underprivileged, excluded, deprived and distressed interchangeably and needs to define them within its scope of work. While it includes some vulnerable population, e.g. disabled, there are other forms of vulnerabilities that exist on the ground and prevent eligible women from accessing BISP grants. Therefore it is important for BISP and its partners to develop clarity regarding population priorities. Several government documents in the past and present have used Social Protection vocabulary. BISP can use these definitions as a startup kit and add to it, its own experiences from the field. For example, if the 'disaster-affected' are counted as 'vulnerable',then BISP can critically evaluate its own understanding of vulnerable groups with the ones prevailing in other public sector institutions (national and international). Ultimately, this clarity in vocabulary will allow BISP to further refine its vision and implementation strategy.
- At operational level, BISP will benefit from a guiding document on multiple vulnerabilities and constraints/ barriers that exist "on-the-ground" and are currently preventing several beneficiaries from accessing cash grants. This will enable BISP to understand the opportunity and social costs faced by some beneficiaries in approaching BISP.

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[8]Core Principle 5 of ESSA directly relates to vulnerable groups and IP. It requires that due consideration is given to cultural appropriateness of, and equitable access to, program benefits, giving special attention to rights and interests of indigenous peoples and to the needs or concerns of vulnerable groups.

- The IP in Kalash need special attention under BISP. There are two reasons for this – firstly, that the Kalash have a barter economy and communal ownership of assets that does not allow for a close match with the household asset ownership approach used by NSER and secondly because there were language and communication deficiencies in the previous survey. In the next round of NSER, only locals who can speak the Kalash language and have a good understanding and local knowledge of the area should be involved during surveys of IPs. Another option is to conduct a pilot of NSER update in Kalash Valleys (Birir, Rumbur, and Bumburet) to minimize the problems faced by the IP during the previous survey and to ensure that the methodology adopted is culturally appropriate for IPs in accordance with the requirements of the ESSA Core principle 5.0. BISP also needs to analyse if the approach used for NSER is compatible with the culture of Kalash. In case, the NSER approach does not fit well with the culture of Kalash, the ESSA encourages BISP to make a political decision that allows BISP registration of all IP women (according to an estimate, a mere 2,500) irrespective of poverty scores.
- The ESSA strongly supports NSPP's design in ensuring that BISP undertakes social mobilization for its core program across the country. This should be the basis of engagement, trust building and information sharing and making processes easier for the beneficiaries. However, it needs to be supported by clear institutional capacity and vision.

25.   ***BISP's Institutional Strengthening:*** The ESSA appreciates that NSPP will augmentBISP staff levels in the field to minimize the problems faced by beneficiaries.Intra- and Inter-departmental communication and information sharing should be improved. The working conditions should also be improved with appropriate logistics and facilities.There should be greater recruitment of female staff in BISP field officesas far as the circumstances permit,as this can be helpful for women beneficiaries. ESSA team visited BISP field offices and noticed that in many instancesthere are no proper waiting areas available.This is particularly problematic for women and children. While the ESSA acknowledges that other studies have found evidence of improved office facilities[9], it recommends that office systems and facilities for both BISP staff and beneficiaries need to be standardized to ensure smooth delivery.

26.   ***Development of Social Engagement Unit to Facilitate Social Mobilization Process, Vulnerable Groups and IPs at Federal and Provincial Level:*** The specific mandate of this Unit will be to reach out to improve and implement the policy and strategy of Social Mobilization, ensure engagement with vulnerable groups and IP (if present in that province), develop and supervise mechanisms to undertake meaningful consultations, share information, provide facilitation to these groups to develop practical solutions to accessing the Program and limit rent-seeking, oversee community level trainings of these groups with the help of other relevant staff and other related tasks. The Social Unit/ Social Engagement Team should also undertake development of an institutional strategy and associated Standard Operating Procedures (SOP)s for consultation and information sharing with mobilized communities. For this purpose, SOPs need to be developed and operationalized by BISP that can be made part of the OM. These guidelines should be followed for planning and conducting meaningful consultation during all phases of the program.

27.   Social mobilization documents prepared for WeT include a process framework. ESSA is concerned that the process does not indicate when, where and how representation of vulnerable /indigenous groups (if applicable) will be ensured. Similarly the process does not indicate any sensitive points where the process might slow down or fail. No alternative measures to prevent, mitigate or minimize any such risks are indicated. ESSA team recommends highlighting these aspects in any process frameworks that are made for BISP's core and complementary programs.

28.   ***Improved Implementation of Public Information Campaigns:*** Although BISP OM provides framework for carrying out Public Information Campaign (PIC), during the ESSA field surveys, its implementation was noted to be irregular and weak. This should be improved especially for vulnerable groups and IPs with the help of Social Engagement Units proposed above.

29.   The PICs should also include the development of a Beneficiaries Charter and a Charter of Services outlining BISP's standards and services. This should be communicated widely through multiple means of communication.

30.   ***Trainings and Capacity Building:*** Implementation of training and capacity building of the stakeholders should be improved, including beneficiaries and BISP staff. These activities should be aligned with the need of stakeholders, especially the BISP staff and communities. There is a clear indication for preference

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[9] According to an field office capacity assessment undertaken by Ernst and Young, 92% of the offices have sitting facility, 88% have washroom facility, 88% have drinking water, and 46% have power backup.

with regards to developing skills for improved community engagement, and grassroots level communication.

31.   ***Safety and Security Protocol***BISP needs to develop a safety and security protocol for its offices and staff and implementimproved crowd management procedures and related regulation and safety guidelines. The ESSA recommends that BISP should formulate a Crowd/Mass Management Rules and Regulation Manual and train its frontline staff in implementing it.

32.   ***More flexible, Responsive and Efficient Design of GRM for Improved Service Delivery:*** Complaints can only be lodged vis-à-vis the eight predefined categories, which need to be made more flexible. BISP would benefit from an assessment of its GRM process and procedure. On the beneficiary side, it must continue the practice to conduct user satisfaction surveys(as it has done in impact evaluation studies) to understand what problems are faced in accessing the system and how to make the process more user-friendly. On the supply side, improved Information Technology (IT) procedures may need to be implemented.

33.   ***Providing Realistic Registration and Service Delivery for Persons with Special Needs and Circumstances:*** Although the percentage of biometric verification issues may remain relatively small, still this becomes a major cause of concern when the affected individuals are truly vulnerable and dispossessed. Technology alternatives, and/or more flexible bureaucratic processes are recommended where 'vulnerable-first' approach is declared and adopted.

34.   ***Promoting more Responsible and Mutually Accountable Partnerships:*** It is recommended that while signing contracts with the banks, the government must adopt a comprehensive strategy for all banks to honour. Local level bank interaction must be impartial and corruption free. BISP must stipulate training needs for bank staff who interface with beneficiaries.

35.   ***Introducing Confidence Building Measures for Sustaining Government – Beneficiary Interaction:*** BISP field staff suspects that while they remain busy in offices, the middlemen manage to have easy access to beneficiaries and feed them all sorts of rumors and misinformation regarding BISP. Wide ranging confidence building measure should be introduced. It is not enough to inform beneficiaries to remain vigilant to fraudsters and fraudulent messages. It is very important to convince beneficiaries to trust BISP fo

I. INTRODUCTION: SCOPE OF PROPOSED PROGRAM, PDO AND DLIs[10]

A. Background:

36.   Human Development Index – United Nations Development Program (UNDP),Human Development Report (HDR) 2015 ranks Pakistan 147th out of 188 countries. Post 18th Amendment most projects related to social sector are implemented by provincial governments. Federal government is striving toallocate budget for developing infrastructure and quality improvement of the social sector. At present, Government of Pakistan's allocation for social and poverty expenditure is 4.5% of GDP. Social welfare allocation in 2015-16 equals to 207,655 million rupee.

37.   Vulnerability to shocks remains a significant challenge in Pakistan. The poor are disproportionately affected by these shocks, and in many cases, adopt harmful coping mechanisms including reducing the quantity of food intake, decreasing education related expenses, or sending children to work. For the poor and vulnerable, short-term shocks can also have long-term health consequences, especially for the children that are already suffering from poor nutritional status. To assist the Government of Pakistan (GoP) in tackling poverty, the World Bank has been supporting the Benazir Income Support Programme (BISP) in partnership with other donors. The World Bank will continue its assistance to Pakistan under a National Social Protection Program (NSPP).

38.   Ishaq Dar, Minister of Finance in his Budget speech 2016 noted *"BISP is an effort to provide relief to the poor and weak segments of the society"* In 2014-15, pro-poor expense amounted to 7.9% of GDP whilst in the current fiscal year (ongoing) 1,123 billion rupee expense has already been made.

39.   BISP was launched in July 2008 with the following four objectives[11]:

- Enhance financial capacity of poor people and their dependent family members
- Formulate and implement comprehensive policies and targeted programs for the uplift of underprivileged and vulnerable people
- Reduce poverty
- Promote equitable distribution of wealth, especially low income groups particularly women (through provision of quarterly cash transfers)

40.   BISP's mission is to fight poverty by employing multiple social protection instruments designed to bring sustainable positive change in the lives of the persistently excluded and deprived families. Its vision is*eradication of poverty and elevating the status of marginalized and underprivileged sections of society especially women through establishing comprehensive social protection nets.*

41.   BISP's long term objective is to meet targets set by Sustainable Development Goals – to eradicate extreme and chronic poverty and empower women. Relevant Sustainable Development Goals include #1 (poverty); #5 (Gender); #4 (Education); and #17 (Means of implementation – this one however is not clearly mentioned in Government documents)

42.   BISP's monthly instalment chart is provided below:

Before July 2013	Rupee 1000/month/family
July 2013	Rupee 1200/month/family
2014	Rupee 1500/month/family
Current w.e.f. July 2016	Rupee 1,611/month/family → Rupee19,338/annum

43.   BISP is the largest single cash transfer program of Pakistan. In the Economic survey of Pakistan, BISP is included under Social Safety Nets/Pro-poor Expenditure/Social Security & Welfare–SSW. In 2009, BISP beneficiaries were 1.7 million, a number that has steadily grown up to 5.29 million in FY 2016 (March).Annual disbursement increased from Rupee 16 billion in FY 2009 to 102 billion in FY 2016. In the past, Pakistan Post has remained the main institution for Cash Transfer. For transparency and efficiency purposes–BISP Debit

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[10] For a full description of the program scope, PDO and DLIs as well as development and economic context of this operation, please refer to the Project Appraisal Document (PAD).
[11] Economic Survey 2015-16

Card; Smart Card; Mobile Phone Banking were introduced. Almost ninety four per cent beneficiaries are receiving payments through technology-enabled payment mechanisms and the remaining are receiving stipends from Pakistan Post. BISP has achieved all targets under IMF's Extended Fund Facility. IMF's 11th Review Meeting May 2016 confirmed this. DFID has rated BISP's output score as A+ (2015)

44.   The proposed Programbuilds on the previous Bank's engagement in the sector during the last 7 years. The Bank's initial support to BISP came through a sectoral Development Policy Credit (US$ 150 million, approved in 2009), complemented by a Social Safety Net Technical Assistance (TA) Project (US$ 60 million also approved in 2009). In 2012, the TA project was restructured with additional financing of US$ 150 million to support the expansion of the program and strengthening of the administration and performance of BISP. The current project is expected to close on June 30, 2017.

45.   Supported by the existing Bank's project, the BISP basic cash transfer intervention has already demonstrated impacts on reducing short-term malnutrition, improving beneficiaries' consumption, and women empowerment. Impact evaluations of BISP have been carried out to provide an understanding of some of the shorter term impacts of the program.[12] The impact evaluation carried out in 2013 (against the 2011 baseline) finds positive effects on reducing wasting – a measure of short-term malnutrition – amongst girls (aged 0-59 months).[13]It also showed an increase in consumption among beneficiaries after two years of implementation, resulting in a 6 percentage point's decrease in the poverty gap for households close to the program eligibility threshold.[14] In addition, the BISP is found to have positive effects on variables associated with women's empowerment. The data indicates that women are more likely to have obtained a national ID card, more likely to have permission to visit friends alone, and that they are more likely to report being able to vote.[15]The impact evaluation finds no impacts on overall household labor supply, which is in line with findings from other impact evaluations of cash transfer programs.Furthermore, there is evidence that the Program is enabling households to save and to invest in small livestock.[16]In addition, the impact evaluation of WeT found that it has a positive impact on school enrolment. The full package of the BISP basic cash transfers and WeT benefits has increased primary school enrolment by 10 percentage points, with the marginal impact of the WeT program leading to a 9 percentage point increase in primary school enrolment.[17]

46.   The National Social Protection Program (NSPP) will be a US$100 million credit from the International Development Association (IDA) and will support the Government through: (i) a Program for Results (PforR) in an amount of US$90 million to support the Government's program, and (ii) a small IPF component in an amount of US$10 million to finance critical areas of Technical Assistance (TA) being critical to achieve the quality of results.

47.   The Program adopts several operational and programmatic lessons from Bank's prior engagement with BISP. The Bank is cognizant of the importance of common platforms for service delivery to the poor that allow better coordination, enhanced coverage, and reduced fragmentation. The Program,therefore pays greater attention to the development of a responsive safety net system, with an updated NSER as the foundation of this system. Federal and provincial stakeholders will be engaged at all levels to ensure clear definition of institutional roles during implementation. The Program will rely on best practices that enable transparency and accountability in safety net operations, including the use of information systems, technology based payments,and independent monitoring. The Program will focus on BISPs' role in developing and fine-tuning the key systems to deliver basic income support and top-up CCTs, and to enable the poor's access to, rather than implementing, a menu of complementary social and productive services delivered by other partners.

B. Program Development Objective(s)

48.   The Program Development Objective is to strengthen the national social safety net systems for the poor to enhance their human capital and access to complementary services.

1.   The Program will advance strengthening of safety net systems, which in turn will:

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[12] The impact evaluation takes advantage of the BISP poverty score, which implies eligibility below the threshold. Consequently, the impacts of the program were evaluated using regression discontinuity design at the threshold. Two rounds of impact evaluations were carried out in 2013 and 2014, and a third one is being implemented in 2016. The results of the 2014 round are expected to be made available by BISP in April 2016, while the results of the 2016 round are expected to be available by December 2016.
[13] A reduction by more than one third in the proportion of girls aged 0-59 months who are wasted.
[14] BISP First Impact Evaluation Report, Oxford Policy Management, 2014.
[15]The World Bank (N.D), National Social Protection Project: Project Concept Note
[16] Oxford Policy Management, 2016
[17] BISP Draft WeT Impact Evaluation Report, Oxford Policy Management, 2016

a. Consolidate the achievements, and ensure effective delivery of basic income support and cash transfers linked to education co-responsibilities, which collectively demonstrated impact on promoting the human capital development of children by reducing short term malnutrition and improving enrolment and attendance to basic education.
b. Improve beneficiaries' access to complementary services with the ultimate goal of providing the poor with opportunities to achieve self-sufficiency over the longer run.

2. Specific interventions to be supported by the Program fall into the following two result areas:
(iii) *Institutional and Systems Development* including update of the NSER, and strengthening administration and service delivery of BISP programs.
(iv) *Income Support for Human Development and Access to Complementary Services* including consolidation and expansion of the WeT program, and facilitating beneficiaries' access to complementary social and productive services.

Result Area One: Institutional and Systems Development

49.   **Update of National Socio-Economic Registry (NSER)**. The Program will support nationwide update of the NSER to maintain a relevant and credible registry. This will build upon the lessons learned from the ongoing first phase of the NSER update, which is being implemented in 16 districts by using a revised PMT formula. The first phase is using a combination of door-to-door survey and on-demand registration in selected districts. A Value for Money (VfM) analysis is being carried out to assess the comparative outcomes of each approach. The results of the VfM study will inform the final approach for the national rollout of the NSER update.

50.   **Improved Safety Net Administration and Strengthened Service Delivery.** The Program will support the government to improve BISP systems and operations towards a more beneficiary centric service delivery model. This includes support to enhancement of BISP MIS with adequate procedures for data cross checks, and regular internal and external reporting standards for improved transparency and accountability. BISP Tehsil offices are the frontline for program operations, however, they face capacity constraints and have inadequate service delivery procedures and standards.[18] BISP's future operational trajectory will entail expanded responsibility of Tehsil office staff vis-à-vis: implementation of the WeT program; increased interaction with and support to BBCs; and integrated case management of beneficiaries. The Program will support a result-oriented revision of the current operating model for the field offices along with implementation of the new model. The Program will also support enhanced communication as a critical component of improved service delivery.

Result Area Two: Income Support for Human Development and Access to Complementary Services

51.   **Consolidation and Expansion of Waseela-e-Taleem**. The Program will support consolidation and scale-up of the WeT program to boost enrolment and attendance of primary education of BISP beneficiaries' children (5-12 year old) in the districts where the supply side capacity is favorable. The Program will support expansion of the WeT from 32 to 50 districts nationwide. This will include adjustment of WeT implementation arrangements vis-à-vis the roles of key actors i.e. BISP, provinces, and implementation partners. BISP will devise suitable models of collaboration and coordination between federal and provincial authorities, district education officials, and other local actors. The Program will support capacity building of all key actors, including the local governments in accordance with their roles in the WeT implementation process. Capacity building of BBCs will be a key element in WeT expansion. These committees serve as a vital platform to reinforce compliance with WeT co-responsibilities, and will have to be further strengthened to carry on this role. The Program will support BBCs' role to enhance communications between BISP and its beneficiaries. In addition, BBCs will be leveraged to share information about the importance of education for children, provide information about service delivery in education, and at the same time offer an opportunity for the beneficiaries to share their concerns with the service providers.

52.   **Access to complementary social and productive services.** The Program will facilitate BISP beneficiaries' access to complementary social and productive services with an expectation that, over time, participation in these programs will contribute to their improved welfare and economic self-sufficiency. Social programs include, among others, education, nutrition, and health services such as the Prime Minister's National

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[18] Currently, there are 383 functional Tehsil offices out of a total sanctioned number of 452. The gap in numbers is due to poor security, poor accessibility and few number of current beneficiaries in areas with non-functional Tehsil offices.

Health Insurance scheme. Productive services would include labor market interventions such as access to finance, formal and non-formal skills training, and asset transfer schemes such as the one administered by the Pakistan Poverty Alleviation Fund (PPAF).The Program will support assessment of beneficiary characteristics at the union council level by using the updated NSER data to identify needs vis-à-vis the relevant complementary services.TheProgram will support the management tools to operationalize linkages.

Technical Assistance (US$10 million equivalent)

53.   A Technical Assistance (TA) component will be an Investment Project Financing (IPF) loan for an amount of US$10 million. The objective of the TA component is to strengthen the capacity of the implementation agency to design, deliver, and monitor and evaluate the activities needed to achieve the Program objectives. The Operation will provide strategic TA to guide the achievement of DLIs and Program Actions; support capacity building of the implementing agency, BISP, where necessary; and finance specialized inputs as identified by BISP. This will be achieved through assistance in four programmatic areas: development of a dynamic National Socio-Economic Registry (NSER) model; Monitoring and Evaluation (M&E); capacity building;   and   strengthening   of   fiduciary,   social   and   environmental   controls.

C. Disbursement Linked Indicators:

54.   The Program will use the following DLIs.

Table 1.2: Disbursement Linked Indicators

| | Total Financing Allocated to DLI (US$ million) | As % of Total Financing Amount | DLI Baseline | Unit of Measurement (No, %, Y/N, text) | Indicative Timeline for DLI/DLR Achievement | | | | | Scalability of Disbursements (Yes/No) | Type of DLI (Process, Output Intermediate Outcome Outcome) |
					Y0 or Prior Results	Year 1	Year 2	Year 3	Year 4		
DLI 1. Percentage of BISP beneficiary households from Phase 2 (national rollout) districts with updated Poverty Score Card (PSC) information in the NSER			0	%		At least 10% of BISP beneficiary households form Phase 2 districts have updated PSC information in the NSER	Up to 50% of BISP beneficiary households from Phase 2 districts have updated PSC information in the NSER	Up to 80% of BISP beneficiary households from Phase 2 districts have updated PSC information in the NSER	(No DLR in this period)	Yes	Intermediate Outcome
Allocated amount: (US$, millions)	35	38.89				15	10	10	—		
Definition/ Description	This DLI measures the update of welfare information of current BISP beneficiary households in the NSER. The nationwide update of the NSER aims to include all households in Pakistan interested to provide information. In accordance with the operational guidelines of the NSER update, information on household welfare										

of achievement	gathered through the PSC Survey will be entered into the NSER database. All surveyed households will receive new PMT scores. The update of welfare information of current BISP beneficiary households in the NSER can be robustly measured based on the unique national ID of the recipients of benefit transfers (a prerequisite to access BISP benefits). This DLI will be met when PSC information of the target percentage of BISP beneficiary households (current beneficiaries FY2016/2017 Q2[*]) from the NSER update Phase 2 have been updated. Phase 2 districts include all districts of Pakistan except the first 16 districts included in Phase 1 of the NSER update.									
Formula					US$15 million to be disbursed on achievement of 10% DLR	Scalable after the DLR for Year 1 has been met. Subsequently $2,500,000 will be disbursed for every 10 percentage points increase in the DLR, up to the DLR for this Year 2	Scalable after the DLR for Year 2 has been met. Subsequently $5,000,000 will be disbursed for every 15 percentage points increase in the DLR, up to the DLR for this Year 3	—		
DLI 2. Percentage of tehsil offices with adequate skills and performing redefined responsibilities in accordance with Operational		Currently, BISP has not redefined staff responsibilities to align with new tehsil office functions, therefore, no staff have been	%		(No DLR in this period)	(No DLR in this period)	At least 20% of tehsil offices trained and performing redefined responsibilities	Up to 40% of tehsil offices trained and performing redefined responsibilities	Yes	Output/Intermediate Outcome

Guidelines			trained accordingly.							
Allocated amount: (US$, millions)	5	5.56			—	—	3	2		
Definition/ Description of achievement	This DLI refers to adequate capacity in tehsil offices for improved services to beneficiaries. This will be based on the field office capacity assessment; operational guidelines duly approved by the Secretary, BISP; a training module for new responsibilities; a training plan and refresher training plan; and trainings imparted to 40% tehsil offices with fair distribution across provinces and regions. Redefined responsibilities will include, but will not be limited to integrated case management—as defined in the operational guidelines.									
Formula					—	—	US$3 million to be disbursed on achievement of 20% DLR.	scalable after the DLR for Year 3 has been met. Subsequently $1,000,000 will be disbursed for every 10 percentage points increase in the DLR, up to the DLR for this Year 4		
DLI 3. MIS enhancement action plan implemented			No system audit has been done on the BISP MIS	Yes/No		(No DLR in this period)	(No DLR in this period)	BISP MIS audit has been completed, and accompanying MIS enhancement action plan has been implemented	(No DLR in this period)	No	Output/Intermediate Outcome
Allocated amount:	5	5.56			–	–	5	–		

Definition/ Description of achievement	This DLI aims to enhance the data integrity, security, and operational soundness of the BISP MIS including NSER. The DLI will be met when an independent audit firm, with established expertise, conducts a complete audit of the overall BISP information systems including their modules; and a time-bound action plan for enhancement is developed and satisfactorily implemented.								
Formula	—				—	—	—	—	
DLI 4. Number of Waseela-e-Taleem (WeT) districts where WeT related functions are carried out by provincial and tehsil offices in accordance with revised Operational Guidelines			0	%	(No DLR in this period)	In at least 32 WeT districts, WeT related functions are being carried out by provincial and tehsil offices in accordance with operational guidelines	(No DLR in this period)	In up to 50 WeT districts, WeT related functions are being carried out by provincial and tehsil offices in accordance with offices operational guidelines	Yes	Output/Intermediate Outcome
Allocated amount:	10	11.11			—	5	—	5		
Definition/ Description of achievement	The objective of this DLI is to ensure continuity of key WeT functions through their internalization within the responsibilities of designated BISP staff. This will be elaborated in the revised WeT operational guidelines to be approved by the Secretary BISP. This DLI will be met when the below outlined functions are included in tehsil and provincial office KPIs; and offices are accordingly carrying out these responsibilities as measured through annual performance measurement arrangements.

Provincial functions include microsupply capacity assessment and coordination with provincial education departments. Tehsil office responsibilities include ongoing registration of beneficiary children and data entry for compliance verification. Functions will be outlined in operational guidelines for provincial and tehsil offices. | | | | | | | | |

Formula					—	US$5 million to be disbursed on achievement of 32 districts DLR.	—	scalable after the DLR for Year 2 has been met. Subsequently, $2,5000,000 will be disbursed for every 9 point increase (9 districts) in the DLR up to the DLR for this Year 4.			
DLI 5. Number of children of WeT beneficiary families paid for at least two consecutive quarters based on compliance with attendance co-responsibilities			0.5 million children	%		(No DLR in this period)	(No DLR in this period)	At least 1 million children of WeT beneficiary families are paid for at least two consecutive quarters based on compliance with attendance co-responsibilities	Up to 1.5 million children of WeT beneficiary families are paid for at least two consecutive quarters based on compliance with attendance co-responsibilities	Yes	Outcome
Allocated amount:	20	22.22			—	—	10	10			
Definition/ Description of achievement	The DLI will be met when the BISP MIS confirms that the designated number of children are attending school and corresponding families have been paid for two consecutive quarters against compliance data collected and analyzed for each respective quarter. BISPs' MIS compliance monitoring data is used to generate payment lists against which the PSP release funds to respective beneficiaries. Families are considered paid for each of the two consecutive quarters when money is transferred by the PSP to beneficiary accounts.										

Formula			—	—	US$10 million to be disbursed on payment to 1 million children.		scalable after the DLR for Year 3 has been met. Subsequently, $2,000,000 million will be disbursed upon payment to every 100,000 children up to the DLR for this Year 4.		
DLI 6. Number of Union Councils in WeT districts that have at least one BISP Beneficiary Committee (BBC) formed and respective mother leader trained on core WeT functions		1,600 Union Councils	Number		(No DLR in this period)	In a minimum of 2,000 Union Councils in WeT districts, at least one BISP Beneficiary Committee has been formed and respective mother leader trained on core WeT functions	(No DLR in this period)	In a minimum of 2,500 Union Councils in WeT districts, at least one BISP Beneficiary Committee has been formed and respective mother leader trained on core WeT functions	Yes	Output/Intermediate Outcome

Allocated amount:	5	5.56			—	3	—	2		
Definition/ Description of achievement	This DLI measures progress in the formation and training of the BBCs, essential for WeT implementation. At least one BBC should be formed and trained in all Union Councils (where there at least 10 WeT beneficiary families) in each of the 50 WeT districts. The protocols for BBC formation require that at least one meeting of the BBC has been held, and BBC mother leaders receive training on core WeT functions. These include their role as an outreach mechanism, motivating WeT compliance, and providing feedback to BISP and its implementing partners.									
Formula	—				—	—	—	—		
DLI 7. Percentage of Union Council with information on aggregated characteristics of BISP beneficiaries available at all administrative levels for provision of complementary services			0	%		(No DLR in this period)	(No DLR in this period)	(No DLR in this period)	For at least 60% of Union Councils, BISP has developed and made available (online and for provincial/tehsil offices), information on aggregated characteristics of BISP beneficiaries for provision of complementary services	No	Output/Intermediate Outcome
Allocated amount:	5	5.56				—	—	—	5		
Definition/ Description of	This DLI measures progress in the analysis and availability of data on beneficiary characteristics for the delivery of complementary services. To facilitate access to these services, BISP will develop an online module to assess beneficiary characteristics using updated PSC information. The DLI will be met when information on beneficiary characteristics is available online for 60% of Union Councils; and available for use by provincial and tehsil levels, in accordance with the									

achievement	complementary services operational guidelines.									
Formula						—	—	—	—	
DLI 8. Number of BISP beneficiary households with at least one member enrolled in at least one complementary service.			34,736	Number		(No DLR in this period)	(No DLR in this period)	(No DLR in this period)	At least 400,000 BISP beneficiary households have at least one member enrolled in at least one complementary service	No	Outcome
Allocated amount:	5	5.56				—	—	—	5		
Definition/ Description of achievement	This DLI measures progress in systematically facilitating access of BISP beneficiary households (including their members) with complementary social and productive services for which monitoring mechanisms are in place in accordance with complementary services operational guidelines. Beneficiary households are those who are receiving basic income support at the time of enrollment of their members into complementary service. BISP will develop a database of complementary service providers and enrollment numbers with the MoUs to monitor uptake of services by BISP beneficiaries.									
Formula	—					—	—	—	—	
Total Financing Allocated:	90	100								

II. ESSA METHODOLOGY

55.   The Environmental and Social Systems Assessment (ESSA) mainly takes a "social" view of NSPP. Initial screening and assessment of NSPP design clearly indicated that there were no significant environmental impacts of the Program. Hence, this ESSA assesses social risks only.

56.   Based on this initial assessment, applicable ESSA principles were selected for analysis. Those that were not applicable to Program design were not included in the ambit of this ESSA. **Preliminary mapping of Program design with ESSA Core Principles indicated that Core Principles 1, 5 and 6 were applicable to the ESSA while Principles 2, 3 and 4 did not apply to any interventions.**

57.   The ESSA has been prepared by the World Bank task team in accordance with the requirements of Bank Policy Program for Results (PforR) and associated Interim Guidance Note for PforR operations. Specifically, the ESSA was developed based on (a) a review of existing policies, acts, regulations, frameworks, and guidelines; (b) review of existing studies and reports (c) meetings and interviews with various stakeholders (c) an assessment of relevant social management systems relative to the PforR principles; (d) an assessment of the capacity and performance of institutions. The analysis led to the development of a set of recommendations to manage social risks associated with the Program.

58.   The ESSA used a mixed method approach–mainly qualitative approach–for the analysis.While data analysis of beneficiaries according to vulnerabilities identified in the Interim Guidance Note was planned, this could not take place as either data was not accessible or it did not contain aspects of vulnerability e.g. IPs, ethnicity, religion etc). Using the selected Core Principles 1, 5 and 6, the ESSA undertook qualitative assessment of inclusion of marginalized groups, and IPs through selecting sites that were known to have marginalized population. Other aspects such as social conflict (under Core Principle 6) were also assessed through qualitative analysis in selected sites. Qualitative assessment included primary field data (comprising of direct field observation, interviews with key informants such as BISP regional, divisional, tehsil and field level staff, group and individual interviews, and focus groups discussions with BISP beneficiaries (as well as non-beneficiaries), BBC, registered complainants, indigenous people, vulnerable groups and individuals, and a short qualitative survey to assess staff needs.

59.   **In line with the national scale of NSPP, the ESSA undertook a countrywide assessment to ensure the provincial/regional variations were captured in the analysis.**Effort was made to select locations where marginalized people were known to exist e.g. religious and ethnic minorities, displaced people. Geographical locations and staff meetings focused on the following:

- Balochistan - Quetta Rural, Quetta Urban
- Punjab - Rawalpindi Rural (KottliSattian, Village Parchan and Village Balawara Sharif), Rawalpindi Urban (Pirwidhai-Fouji Colony), Punja Sahib (Punjab);
- Khyber Pakhtunkhwa - Chitral (three Kalash valleys, Birir, Rumbur, and Bumburet), Haripur Urban, Haripur Rural ,
- Sindh - Matiari/Hala, Thatta, Qasimabad (Hyderabad Division) and Umerkot, Mirpurkhas (Mirpurkhas Division).

60.   Each geographical location was shortlisted after careful deliberation and discussion with the BISP, Islamabad and Divisional offices and mobilizing agency. The main criteria behind shortlisting these locations is the presence of vulnerable groups (particularly religious minorities, displaced people) and indigenous communities. The ESSA team also shortlisted those areas where BISP/WeT local offices are steadily shifting towards implementation of the new project cycle. In these areas BBC are functional, and the NSER desk registration pilot and the biometric verification pilot are under process.

61.   Purposive sampling was used for selection of districts. Rawalpindi was selected due to presence of urban and rural poverty and presence of BBC groups. Punja Sahib in Hassan Abdal was selected due to presence of a large religious minority as well as displaced population who have relocated post 2005 earthquake in Battagram; militancy in Kurram and Khyber agency, and 2009 military operation in Swat. Haripur is one of the pilot districts where BISP, in collaboration with the village councils and National Database and Registration Authority (NADRA), has introduced the NSER desk registration pilot. Districts in Sindh were selected for urban and rural poverty as well as prevalence of minority and mobile communities. Sample consisted of Kohli Hindus, Matiari Hindus, and Oadd Hindus. Chitral is the only district in Pakistan where IP are located. In Balochistan, in

addition to area comprising of beneficiaries, the areas where vulnerable groups and minorities like Hindus and Christians are residing were selected.

62. For qualitative assessment a range of stakeholders were included. Primary group of stakeholders or target population were: BISP/WeT beneficiaries as well as non-beneficiaries, indigenous people, vulnerable groups (religious minorities, widows, Female Headed Households (FHHs), disabled, elderly, mobile communities/nomads and the displaced (people who have missed out the targeting window); registered complainants (both beneficiaries and non-beneficiaries who have used GRM). Details regarding the number of beneficiaries, non-beneficiaries are included in Annex-II.

63. The wider group of stakeholders who were approached for sharing information included: BISP/WeT staff (office and field) regional, divisional, tehsil and field level. Particularly staff involved (or to be involved) in design, implementation (monitoring & evaluation), and decision making.Tehsil and field level BISP/WeTimplementation staff were considered critical in this assessment and primarily the focus of ESSA assessment remained on them.

64. Based on need and mutual consultation within the World Bank, a few other stakeholders were also interviewed for ESSA like NADRA, Bank Al Falah; Aurat Foundation; etc.

65. For qualitative assessment, protocols and instruments were developed for focus groups, interviews and semi structured interviews with key informants. Each questionnaire has a set of questions on potential risks associated with the project; vulnerability, inclusion, accessibility, stakeholders' engagement and communication, quality of grievance redress, other governance matters such as M&E and prevention of rent-seeking. The questionnaires also generated discussion on social tensions. Most importantly, each section invited responses to assess institutional capacity and readiness to respond to ESSA concerns and ensure social sustainability. Attention has been provided to the BISP/WeT's current processes, procedures, mechanisms and practices as well as those proposed to be included in the upcoming NSPP. Separate questionnaires were developed for beneficiaries (including beneficiaries participating in other complementary programs); BBC; non-beneficiaries; vulnerable groups/individuals and most importantly, the indigenous people of Pakistan located in Chitral. Details of tools used are provided in Annex-III.

66. In a few sample locations, focus group discussions were carried out with BISP beneficiaries (Birir, Bumburet, Rumboor, Haripur, Thatta, Qasimabad/Hyderabad and Quetta), non-beneficiaries (Birir, Rumbur, Bumburet), and BBC (Pirwidhai, Parchan and Balawara Sharif). In Matiari, Umerkot (Mirpur khas) and Punja Sahib – the sample was such that it was more feasible to carry out several smaller group interviews comprising of two to three women. In Quetta, interviews were carried out with individualsas well as with small groups of two to four women.

67. A short questionnaire was designed for BISP Tehsil and field level staff. The questionnaire mainly focused on finding the gender balance among staff at the field level, the contractual nature of their service and commitment with BISP (its objective and mission). This data was used to discuss elements ofprofessional satisfaction and job security. The questionnaire also focused on finding out how BISP staff gauges their capacity and/or skill level vis-à-vis the assignments that they handle. By attempting the qualitative questionnaire the staff provided details regarding the number of trainings acquired in the past, and the trainings that need to be acquired for improving their job performance.

68. For quantitative analysis using BISP data, GRM data set was used. This provided a district wise analysis of complaints and their breakdown in categories. However, quantitative assessment according to vulnerabilities was not possible due to non-availability of data.

69. The formulation of the ESSA was informed by a consultative process involving key stakeholders. A consultation workshop was carried out in Islamabad on November 25, 2016 to better understand the concerns of stakeholders and to seek feedback on the findings and recommendations of the ESSA team. The Workshop was co-led by the World Bank and BISP and generated several positive suggestions.

III. SOCIAL EFFECTS OF THE PROPOSED PROGRAM

70.   The proposed NSPP program design as defined by the Project Development Objective (PDO), results areas and DLIs poses no environmental risks. For the purposes of this ESSA, only the social effects will be assessed.The social benefits and impacts of the program are discussed below:

A. Social Benefits

71.   With the largest coverage of any income support program in Pakistan, the NSPP will support BISP in continuing to providepositive income support benefits for poor households especially women. Main social benefits are described below.

Greater Coverage of the Poor (Vulnerable, marginalized etc.)

72.   The program will result in coverage of more poor households. The NSER update will result in identification of more deserving families who were missed/not covered in the previous survey. The current BISP PMT was developed in 2009 and is based on a statistical model[19]in which a set of indicators are used to "predict" households' consumption[20]. The model includes 23 indicators that fall under the following broad categories:

- Household and individual characteristics
- Ownership of durable goods and housing characteristics
- Ownership of productive assets, especially land holding, livestock and farm equipment.

73.   Following the NSER full roll-out and implementation (2009-2012), the PMT score has been calculated for 25.5 million HHs, while another 1.9 million HHs remained without a score due to discrepancies/incomplete information. The highest proportion of HHs with incomplete information is found in Balochistan and Federally Administered Tribal Area (FATA), 16 percent and 18 percent respectively.

74.   The BISP eligibility threshold (or cut-off score) was set at 16.17, based on simulations that took into account the estimated program coverage and budget requirements. About 18 percent of the households registered in NSER were found to have poverty scores lower than this threshold and thus classified as eligible to receive income support.Further, the Program has flexibility to include some vulnerable groups such as disabled and elderly even if they are slightly above the eligibility criteria.

75.   The recent changes in the country's economic indicators of poverty and unemployment may have significantly altered the household composition and demographic information. Similarly, there is a possibility that a household having entered the BISP program at a certain level of welfare may no longer need assistance following a significant positive change in its welfare condition, or new families that meet the eligibility criteria now need to enter the program. Therefore, the new NSPP program will help to improve this coverage of poor including marginalized and vulnerable groups.

Greater Proximity to the Poor

76.   The NSER update and PMT formula will help in ensuring greater proximity to the poor by including more relevant factors related to welfare, location, interaction, demography, household, productivity and interaction with urban status into survey and PMT formula. The updated formula will also attempt to exclude non-observable indicators. The revised formula for eligibility will allow the determination of PMT score adjusted for HH size and composition, andspatial difference in prices.

77.   The updated selection of variables included in the formula was done on the basis of three main criteria: (i) strong correlation with the welfare indicator (consumption); (ii) the variables should refer to indicators that are easy to observe, measure, and verify; and (iii) sufficient frequency (for categorical variables). The proposed update in PMT formula will base poverty measures on expenditure per adult equivalent. The previous PMT formula included indicators of household head's educational attainment and children's enrollment in school. Although these indicators are strong predictors of poverty outcomes in regressions, they are not easily

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[19]New PMT formula for NSER update (draft), Benazir Income Support Programme, 2015
[20] ibid

observable and verifiable. The updated formula, instead, includes an indicator of adults' literacy, which is less prone to measurement error and misreporting compared to categorical variables for educational attainment which are also hard to verify. Similarly, geographical location is potentially an important determinant of poverty. The preliminary PMT update includes indicators of urban status, according to the definition used in the Pakistan Bureau of Statistics. To capture these differences, the proposed preliminary formula also incorporates interactions between urban status and agro-climatic zones, and these interactions are significant predictors of consumption.

78.   The new NSER will provide dynamic update of beneficiaries. This would enable BISP to improve the coverage of its core program and reduce exclusion errors by allowing families who meet the eligibility criteria but do not currently benefit from income support to update their information and enroll in the program. The ESSA acknowledges that this will lead to positive social benefits.

Refining the Earlier Program through a New NSER design and Complementary Programs

79.   BISP's Payment Manual envisaged that "Every receiver woman will be entitled to receive cash benefits from the program for a maximum period of 4 years (48 months). During or at the end of this 4 year period, households to which receiver women belong will be recertified. If the household falls below the defined cut off point for recertification, the receiver woman will continue participating in the Program according to any new set of rules to be defined by BISP".

80.   Socio-economic registries often have errors at three levels i.e. design level, implementation level and due to time factor. These errors directly affect the measure of accuracy of database as inclusion error (identification of those as beneficiaries who do not fulfill the selection criteria) has a direct effect on waste of public resources while exclusion error (identification of those as non-beneficiaries who fulfill the selection criteria) results in proportionate compromise of social safety net objective. Keeping in view Article 38 of Constitution of Pakistan which says;

▪ "38(c). The State shall provide for all persons employed in the service of Pakistan or otherwise, social security by compulsory social insurance or other means.
▪ 38(d). Provide basic necessities of life, such as food, clothing, housing, education and medical relief, for all such citizens, irrespective of sex, caste, creed or race, as are permanently or temporarily unable."

It is therefore pivotal for BISP being a social safety net of the State to reduce both the errors to minimum.

81.   It is an internationally accepted phenomenon that household demographics change to a considerable amount in 5 years of time. Keeping in view the transient nature of population around the poverty line and change in HHs demographic profile over time, it is important for this flagship social safety net to update NSER. An update will help to overcome the above mentioned three levels of errors especially the time factor. Second, it will also improve the urban representation as sample estimates of existing NSER show that about 87% of BISP beneficiaries come from rural areas, suggesting that the PMT (designed in 2008) may have estimated the poverty scores of the urban poor with less accuracy. Third, the recent changes in the country's economic indicators of poverty and unemployment may have significantly altered the household economic position. There is a possibility that a household having entered BISP now may no longer need assistance, or new families that meet the eligibility criteria now need to enter the program.

Increased Feedback from the Poor to Fine Tune Delivery Systems and Decrease Delays in Payment Processing and Delivery

82.   This program will incentivize improvement of BISP communication, information management, and payment systems.

83.   The program envisages improvements in the payment delivery mechanism. BISP will continue to modernize payment services with the objective of developing a beneficiary centric payment model that allows beneficiaries to open personalized bank accounts using the branchless banking infrastructure and system. As of January 2016, the BISP Board and the Ministry of Finance have approved the introduction of new payment model, whilst the technical concept note for the model was approved in September 2016. Key features of the model include the use of branchless banking infrastructure and systems for beneficiary payments, biometric based payments, interoperability and greater payment point flexibility for beneficiaries, and real time payment reporting and reconciliation. This will be complemented by the promotion of financial literacy of BISP beneficiaries under Strategic Area Two, leveraging the World Bank and BISPs' earlier work on the development

of financial literacy training.

84.   The concept paper for new payment model (attached as Annex-IV) proposed by BISP is focused on ensuring a transparent disbursement mechanism. Use of bio-metric authentication is made mandatory at the time of registration as well as each disbursement. BISP beneficiaries will be able to perform transaction at any biometric enabled location including bank branches, ATMs, agent locations and in some cases door to door services. Biometric authentication will ensure 100% transparency as the registered beneficiary will be the only one taking payments. Those beneficiaries who cannot be biometrically verified due to any reason will be allowed alternate method of payment which is through personalized debit cards. Beneficiaries overwhelmingly endorsed the biometric payment option as a positive step. These beneficcaries felt that they will be more empowered by using biometric system for withdrawing cash as nobody else can undergo this process without their consent.

85.   In order to increase the reach of the payment system, the requirement for number of payment touch points is being increased under the new payment model. Each payment partner will be required to put up one touch point for every 250 beneficiaries OR one touch point at a UC Level (whichever is lower).

86.   BISP will host a centralized system "BISP Payment System" which will route all biometric authentication requests as well as manage data related to the disbursements, claim settlements, service charge payments, etc. BISP Payment system will manage all payment related activities, including grievances and complaints. Currently participating banks are allocated beneficiaries and the amount and service charges are pre-funded. Under the new model, payment partners will be provided funds for disbursement however the service charges will be paid after beneficiary has completedher withdrawal. The payment partners will be required to proactively encourage beneficiaries to withdraw funds within 30 days; the payment partner will be required to pay a markup on amounts which are not withdrawn 30 days after the funds were provided by BISP, unless tied to a financial inclusion product which will allow beneficiary's graduation.

87.   There is also a possibility of problems in some far-sflung areas/districts (FATA, Balochistan) where basic mobile communication facilities including data services required for BVS do not exist. In those areas beneficiaries will be provided alternate payment methods. Partner banks will be encouraged to provide innovative solutions for such select districts and these would be treated differently from the mainstream payment model with different line of reporting and specialized reconciliation procedures, and if needed, different rates of commission will apply. BISP will point out such exceptional districts and their differential treatment in the RFP and the contracts. Trainings of agents and internal monitoring system have also been emphasized.

88.   The above system will improve the payment modalities of BISP by reducing the problems faced by beneficiaries in receiving payment, as well as limiting the role of middle parties in payment withdrawals, and thus lead to positive social impacts.

89.   Improved communications will lead to improved outcomes for the beneficiaries by reducing the space for rent-seeking.

Reduction of Non-deserving Recipients

90.   Despite the fact that a process of recertification exists which allows the smooth exit of non-deserving families, its implementation requires strengthening. In most of the cases, the exits consist of only the people who are not alive. Often these cases are not reported to BISP unless a spot or random check is made by the institution itself. For example, in Quetta, a spot check of women above 80 years of age was made and it was found that 40 out of 128 womenwere not alive.

91.   This subcomponent will also support the development of a beneficiary recertification strategy, including modalities to manage the exit of beneficiaries who no longer meet the eligibility requirements for the basic income support benefits. Finally, the subcomponent will develop the foundations for periodic or continuous updates of registry data in the future.This will allow dynamic aspects of poverty to be addressed as more eligible families gain access to BISP without the entire NSER being rolled out.

B. Major Social Issues and Risks:

92.   In line with the Interim Guidance Note on ESSA, key risks can be grouped under two core principles -

(i) access to program benefits for marginalized, vulnerable people and Indigenous People (IP) as well as (ii) social conflict[21]. These are briefly described below in relation to each area of NSPP intervention.

Result Area One: Institutional and Systems Development

93.   This area of intervention aims to update the NSER and improve safety net administration and service delivery. This includes a trial of various approaches to collecting household data and updating the NSER on a dynamic basis. It also includes improvements in payment systems and BISP office network and staff.Interventions under this component aim to develop "beneficiary-centric payment models that allows beneficiaries to open personalized bank accounts using the branchless banking system" and also, "strengthening BISPs' network of over 400 Tehsil offices".

Social Risks Associated with NSER Update:

94.   The ESSA exercise revealed that the update of NSER on a dynamic basis would address marginalization of communities who are socially marginalized since the previous census of poverty. While the design of new PMT is sound on the basis of poverty, it does not include any variables on marginalization which is also a dimension of poverty or variations that can accommodate the cultural definitions of asset ownership and family/marriage that are followed by Indigenous People (Kalash in Chitral). This is likely to result in exclusion of this community.

95.   NSPP also needs a mechanism to address registration (for inclusion in BISP) issues faced by mobile population. Similarly, vulnerable groups often move from place to place for livelihood or for basic survival. It is difficult to help such mobile populations as BISP procedures currently in place find this complicated. The Bank is supporting BISP to advance towards a more dynamic NSER, but the institutional infrastructure at local level (local governments) in Pakistan needs to be further developed before making this step. In the past, the government has proposed Mobile Registration Vehicles (MRVs) as a measure to reach out to mobile communities. ESSA understands that registration of mobile populations (displaced as well as nomads) is a very sensitive matter and only a properly devised system-based intervention can serve as a sustainable solution. For this purpose, BISP must proactively engage with NADRA, the country's registration authority, and agencies with direct experience of registering mobile populations and develop a mechanism that allows mobile communities and individuals to be recorded, verified and updated.

96.   The ESSA reviewed the "New PMT Formula for NSER update (draft version: November11, 2015). The document is reviewed on single criterion - ability to identify marginalized and excluded groups or lack of it that may result in a social risk.

97.   The ESSA review, from the outset, appreciates the fact that documents under review carefully looked into various methodological options for predicting poverty before arriving at the decision to use PMT within the Pakistani context. This review agrees to all assertions made for adopting the PMT methodology. The PMT method is adopted to identify poor or ultra-poor household for the targeting of safety net programs, particularly in low resourced settings where collection of simple vital statistics or formal record of income is a challenge. In the context of Pakistan and for the basic design of BISP, PMTmethod is relevant for NSER.

98.   The reviewed PMT documents also lay out performance criteria for evaluation of PMT score, namely errors of inclusion and exclusion, to gauge the target efficiency and program effectiveness. Both of these errors pose a threat to the credibility of program and increase the possibility of social exclusion, particularly if a group is misidentified due to choice of items included in the analysis or because of their exclusion of certain item. Particularly the items that augur well with income but not with social exclusion or geographic location (squatter settlements). It is with this reference in mind the later part of the methodology is reviewed.

99.   The primary aim of PMT is to predict objectively and with reliability the per capita income or consumption at household level by identifying variables that are easy to measure and collect, and are sensitive to change in poverty. The variables thus identified should have the indicators on following dimension:

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[21] A core principal of the ESSA is to "avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes." Page 6, Interim Guidance Note on Environment and Social Systems Assessment, The World Bank, Operations Policy and Country Services, June 18, 2012.

- Demography, particularly age-specific data by gender, dependency ratio and household size
- Measure of current command of household over resources and assets that reflect permanent income and temporary income, water, type of construction, ownership of household amenities
- Measures of prospective command of households over resources like education and employment by type.
- Measures of transfer of resources, road network, access to public facilities as indicator of social exclusion.
- Geographic location, residence in rural, urban, squatter settlements and underdeveloped regions of countries. Particular, food insecure regions, and areas hit by multiple disasters.

100.   The PMT formula, takes into account first three dimension very well. The information on fourth and fifth dimension is not completely addressed, since it is not available in the data source that is used to compute poverty scores. Most of the poor in urban areas reside in pockets of squatter settlements, which are hazardous locations but people can be marginalized in any location.

101.   The survey data, although the only source of consumption data in Pakistan, largely excludes questions on marginalization and social exclusion.

102.   Even with a well-designed NSER, inclusion issues are acutely faced by specifically excluded groups such as Indigenous People (IP) in Chitral.While some women among Kalash, recognized as the only IP group in Pakistan, do receive BISP cash grants, ESSA's field assessment revealed that most apparently eligible women do not meet the criteria for inclusion in BISP[22]. This is mainly because the Kailash have a peculiar culture with a very different understanding of household and property ownership. The Kalash use barter system, their property is communally owned and used and not associated with a single household. It is difficult to assess their poverty levels based on household ownership of assets with a scorecard based on conventional notions of household asset ownership and institutions. Additionally, their language is unique and unless the survey is administered in their language, there would be uncertainty regarding its results.

103.   Desk based and door to door survey both have their pros and cons. In some communities, such as Haripur KP, registration method is important as other methods may give rise to 'shame' and bring upon the beneficiaries the 'stigma' of poverty. Initially, BISP in Haripur realized that cultural norms and "pardah" often impede women from accessing the desk. Therefore they offered door to door registration. However, the response showedthat people often felt embarrassed among their neighbors and did not want them to associate their households with poverty. Later they approached BISP office and admitted that they closed the door as it shames them in the community to avail government protection against poverty. BISP is associated with poverty and it is painful for people to publicly declare their poverty. Pakistan with its culture of *"safaidposhi"* (garb of nobility) prevents deserving people from registering under BISP through this survey method. BISP needs to carefully examine the success of this method before choosing which NSER survey method to adopt.

104.   Vulnerable people often move from place to place for livelihood or for basic survival as was discovered by the ESSA field assessment inPunja Sahib where Sikh community, traumatized by the militancy in FATA, had taken refuge at the Sikh Temple (Gurdawara). Computerized National Identity Card (CNIC) holders of Tharparkar typically leave for Mirpur Khas, Badin, Sanghar and NawabShah for livelihood. It is difficult to help such beneficiaries as displacement related issues get compounded by lack of flexibility within the system to register such groups.

105.   Regarding, minorities and IDPs, it was observed that whereas several minorities are taking benefits of BISP, there are several which have been missed out and are deserving e.g Sikh community in Punja Sahib (Annex-V). This community was found to be extremely vulnerable and dependent on their religious leaders for access to BISP. They seemed to meet the eligibility criteria for BISP due to the recent exodus from FATA as a result of militancy. However, they were too trauma-stricken and insecure to access BISP and were unsure if the Program could accommodate the change in their status. NSPP's aim to make the NSER dynamic would suit these people but methods of reaching out to them and boosting their confidence to apply for the grants is also required.

106.   Major risks of leaving vulnerable groups (disabled, nomads/IDPs, minorities) outside the ambit of the program are reputational and political as these ultimately strike at the very core of BISP mission/vision. This means that eligible people are unable to be included in the Program because their circumstances have changed or they lack the confidence and mobility to prove their eligibility. Further, several eligible households fail to

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[22]Source: AD Chitral

access the cash grant because their illiteracy prevents them from using the correct procedures. It is mainly by addressing this type of vulnerability, a form of relative poverty, that BISP will make its work more meaningful.

Social Risks Associated with Development of Beneficiary Centric Payment Model:

107.   Although the beneficiary centric payment model is expected to have positive impacts and reduce several issues, NSPP needs to also base interventions on a solid understanding of what constitutes vulnerability, marginalization and lack of agency within the context and "lived reality" of its target population. Social marginalization, lack of voice and opportunity costs continue to plague eligible households, especially women, from accessing BISP. Without understanding these dynamics, BISP will find it difficult to devise technological and banking solutions to common issues faced by its beneficiaries in accessing its services. The details of beneficiary centric payment have shown that it is focused to address several payment related issues, however, the ESSA found that the following aspects of marginalization and vulnerability need to be carefully understood while finalizing these mechanisms.

108.   There are hidden opportunity costs for availing BISP payments due to women's lack of mobility, time poverty, financial illiteracy and travel costs. Where banks stipulate that cash can only be withdrawn by beneficiaries, women mentioned the resulting difficulties regarding arranging transport, paying a two way rent for two passengers (as they cannot go alone), making alternate arrangements for home management/child care during their absence. During ESSA consultations with beneficiaries, this was the most commonly cited vulnerability in relation to access of BISP grants. While the banks delivery model is designed to create transparency, it also needs to assess hidden opportunity and social costs that beneficiaries have to bear. In effect, this means that the cash grant benefit that reaches the household is less than the full amount if these costs are deducted.

109.   The ESSA also found that many banks (and their branches) provide easy Benazir Debit Card (BDC) and ATM access to men. While this creates ease for women beneficiaries, it leads to them effectively "handing over" control of their cash grant to men. While other studies have stated that about 70% women retain control over the grant, ESSA's field interviews with beneficiaries revealed several cases where men did not hand over the cash grant to them or spent it without their knowledge and consent. While the biometric verification will reduce this occurrence under NSPP, the opportunity costs issue will remain.

110.   Rent-seeking has been reported as a common issue in all areas surveyed under the ESSA. Balochistan is a case in point which is area-wise the largest province in Pakistan with least population density. The districts and tehsils are located at large distances from each other. As the institutional arrangement is very weak or almost absent at tehsil level, therefore, arrangements of cash withdrawal are also very feeble. There are several districts where there are no ATMs or POS machines like Awaran, Kalat, Khuzdar, Kharan, Mastung, Barkhan, and the Kalash Valleys. People have no option other than to travel to the nearest district where the ATM or POS machine is available to withdraw money. In such cases, for their own ease, they handover their BDCs to some person who withdraws money for several beneficiaries against a fee per woman. While this step is convenient, it also creates opportunities for rent-seeking. This problem was also reported by several communities in Quetta where payment is made through Pakistan Post. However, only a very small percentage of payments (6%) is presently being made through Pakistan Post. Therefore, the issues being faced by the beneficiaries related to Pakistan Post are small in number. It was mentioned that postman delivering the money charges a fee to deliver money at their doorstep.

111.   A similar issue was observed with the POS machines installed at Omni shops for delivering the payment in Balochistan. Several operators were reported to take service charges while delivering money to the beneficiaries. This problem was also confirmed by the BISP office, Quetta. BISP staff have taken actions against such activity and reported the incident to stop the operation of the POS machine at that specific location. The POS machine operators sometimes hand over lesser amount to the beneficiaries as compared to the money withdrawn. Spot checking is done by BISP Staff in Balochistan to control this problem and it was reported that Barkahn and Loralai POS machines were closed after spot checking. Although it has been mentioned that spot checking is done by BISP staff, it is not clear if a periodic schedule is followed for this monitoring.Further, even with biometric payments, it is not certain that the women will receive their full cash grant as the bank clerk/functionary may still demand a payment. Many women may be coerced into paying the demanded amount as women were often scared of blocked payments.

112.   Regarding BDC-related issues, OPM's Second Evaluation of the BISP program[23] highlights that more than 96% of beneficiaries are satisfied with their payments and use of the debit card.On the other hand, literature also confirms that lack of familiarity with the payment instrument, lack of access to information and inexperience in handling documents at times create issues for BDC users. In 35% of the cases that Mott MacDonald and DFID reviewed, either the beneficiary had lost, misplaced or damaged the BDC. In 31% of the cases she had lost the PIN. Almost 23% had their cards blocked, and 8% had exchanged with another card and card capture was reported by 5%[24].

113.   BDCs do not carry a definitive identification of the beneficiary and are non-personalized cards, (Annex-VI) – they do not display the name of the person to whom it is issued or her photograph or CNIC number of beneficiary or any other details that can be used to identify the card owner. This has caused great confusion and problems among beneficiaries which was reported during consultations/meetings with the beneficiaries. Without the name and CNIC number written on the card, it becomes difficult for them to identify their card if mixed with cards of other women. As most of the women are not literate, they usually collect cards and hand over to some close relative who can withdraw money for them. In this process, the person often mixes up the cards and without proper identification of owner on the card, it is difficult for him to return the cards to the real owners. [25]

114.   Mechanisms leading to corruption and violence were also analysed. HBL relies on a manual system. At HBL disbursement point a BDC can be received by showing CNIC and leaving a thumb impression on paper[26]. There have been reports where middlemen received BDC and money but did not give this to the beneficiary. Banking systems are not coherent and create room for corruption unless they are standardized and strictly monitored. BISP staff expressed their concerns that banks have their own procedural lacunas. Badin (Sind) was identified as particularly sensitive where criminal gangs influence BISP beneficiaries to mortgage their BDCs to buy essential goods. Later this mafia keeps track when a tranche is released and immediately withdraws money to pocket it. BISP local staff explained that this activity at times involves hundreds of BDCs and money is often withdrawn past midnight or early morning hours and yet it is difficult to make anyone accountable for it, be it the bank or the beneficiary herself. However, biometric verification process should reduce this type of problem faced by beneficiaries.

115.   Third Entities also display rent-seeking behavior. They create anxiety and fear among women by waiting in the street, offering to help for a fee and misinforming beneficiaries about the ATM, such as, the machine will capture the card or the government has announced that if any money is left in the account it will be de-credited by evening. Such individuals convince women to accept their offer of help. In Quetta, Some of the beneficiary women have also reported that unknown persons have taken money from them and assured them that they would be registered as beneficiary in the program. Afterwards, the women tried to locate but could not trace them. These complaints have been reported to BISP office also. Lack of information among beneficiaries also leads to this risk.

116.   During field assessment only one case of embezzlement committed by a Bankemployee was discovered in Quetta[27] which was resolved successfullythrough BISP's efforts.

Social Risks associated with Strengthening of BISP Offices:

117.   On the strengthening of BISP offices, NSPP will play a valuable role in improving staff numbers and increase of number of offices. This will be a valuable contribution as the ESSA field review found that the

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[23]http://www.bisp.gov.pk/Others/2ndImpactEvaluation.pdfhttp://www.bisp.gov.pk/Others/2ndImpactEvaluation.pdf

[24] Spot Checks and Beneficiary Feedback, Grievance Redress Report, GRR-1, 2014. P. 34

[25]It was also reported that two cards from the same family were given to a person for withdrawing money. One of the cards worked and cash was withdrawn while the other card did not work at that time. While returning the BDCs, the cards were reported to be inadvertently swapped. The person who got the money was given the card which did not work at ATM, while the other beneficiary who didn't get the money was given the card using which the cash was withdrawn. This resulted in a severe dispute within the family which was difficult to settle down later.

[26]Source: AD –Hyderabad

[27]In this context, one case was presented by BISP Office at Quetta. The incident was reported to be a case of misappropriation by the employee of a commercial bank. The employee misused the BDC of a beneficiary who applied for a replacement card. The money was withdrawn by him and the card was also retained. The beneficiary was informed by the employee of a commercial bank that the money had not been credited into her account. Later the beneficiary complained about it and declared that she had not received the card. The matter was taken up by BISP office, Quetta and investigation was conducted. The culprit employee was suspended and embezzled amount was recovered from him and handed over to the beneficiary. The details of the case are attached as Annex-VII. This was a success story in which the embezzled amount was recovered and handed over to the beneficiary

current system was overwhelmed by demand. However, this component also needs to consider the inclusion of several supply side issues as well as aspects ofsecurity that have the potential to lead to risks that can impact BISP's service delivery.

118. The location and number of offices need to be carefully looked at.Although other studies e.g. Field Capacity Assessment undertaken by Ernst and Young in 2016 revealed that 83% of the offices are easily accessible, the ESSA review found that supply side issues often add to the difficulties in access. For example, BISP office in Thatta deals with beneficiaries located in village Keti Bandar that is 120 km away. This situation creates room and provides operational space for third entities to appear and take money from women offering to represent them at BISP office located far from them. Physical geography of the region may also make mobility an issue not only for the beneficiaries but also for BISP staff and mobilizing agency. Administratively the area may be taken as a single unit but it may have several villages located far and wide making service delivery truly challenging. Office location needs to be planned on density of beneficiaries in a district.

119. Safety issues and interaction between BISP staff and beneficiaries are important aspects.Staff security is a concern. Field staff has no official identity cards. Staff in Umerkot shared how this causes anxiety when they are on field assignments and often feel vulnerable as local gangs are active in the area. ESSA team came across cases where BISP field staff was harassed, followed, and even attacked, and taken to court in fabricated cases. This places BISP staff at high risk and impacts on efficiency of service delivery.Security and other safety issues need to be addressed in tandem with increased staff numbers.

120. In Balochistan, several beneficiaries often travel long distances to reach BISP office for registering themselves in the program. BISP staff check the status in poverty survey and inform them accordingly, if they are eligible for the grant. People who are refused often become hostile and use abusive language with BISP staff. This has been reported by BISP staff working in Quetta divisional office.During FGDs, women also complained about a lack of empathy and support from BISP staff.

121. BISP needs to develop beneficiary-friendly officestoimprove service delivery. Several BISP Offices visited by ESSA Team lack proper waiting rooms and other conveniences that lead to unrest and difficulties for beneficiaries who may have travelled long distances. It needs to be clarified that other studies e.g. Capacity Assessment undertaken by Ernst and Young presents favorable figures of conveniences in BISP offices. Clearly there is a need to standardize office facilities to ensure smooth functioning.

122. BISP offices have no safety protocols in case of a subversive activity especially in conflict affected areas. Other process inefficiencies also sometimes lead to unrest. For example, ESSA field visit to Thatta office in Sindh found that the office receives five hundred visitors per day[28]. However, only a certain number of tokens can be issued. This gives rise to unrest and people suspect BISP for being unfair or indulging in favoritism when the real issue is lack of staff. Other offices in Sindh need improvement in basic facilities and maintenance. In developing the network, NSPP needs to develop protocols for location and management of offices and ensure that a minimum protocol for safety, crowd management and cleanliness are followed in addition to MIS upgrade and training of staff.

123. BISP should also consider developing and propagating a Citizens' Charter that lays out the responsibilities of staff as well as beneficiaries to clarify roles and behavior.

Social Risks associated with Promotion of Financial Literacy:

124. Under Strategic Area One, this component also aims to undertake "the promotion of financial literacy of BISP beneficiaries, leveraging World Bank operations and BISPs' earlier work on the development of financial literacy training'.

125. The ESSA concurs that overall literacy and financial literacy among beneficiaries in particular must be improved. Illiteracy generates unnecessary fear and anxiety among beneficiaries in a bank and public office setting. For example, a beneficiary from KottliSattianhad an impression that her BDC could only be used at a machine in Blue Area, Islamabad. A lack of information also makes women vulnerable to corruption and fraud

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[28]In Thatta the case load was 158,000 as communicated by the AD. These 500 beneficiaries per day are not all and always new faces. Beneficiaries often make follow-up visits. DFID/Mott MacDonald grievance survey indicates that 93% respondents need to visit BISP office more than once to register their enrolment complaint or get an update on their status. On average, beneficiaries visit at least three times for each grievance.

as they hand over their BDCs and pin codes to random individuals, mostly bank guards. Beneficiaries are scared of paper work and often this fear leads them to rent-seeking intermediaries. NSPP needs to address these fears when promoting financial literacy. One example is that the system does not allow pin code change. In many cases women fail to learn pin code assigned to them. This creates room for corruption as women carry pin code with their BDCs, increasing their vulnerability. In fact many women repeatedly showed their BDCs and pin codes to the ESSA team. They have not yet internalized or realized the significance of secrecy regarding pin code.

126.   The ESSA endorses the biometric verification system as a positive step towards financial independence and literacy and assesses that it will benefit the majority of beneficiaries. However, ESSA field assessment's own findings indicate that about two to ten percent of women engage in forms of livelihood that can affect the quality of biometric data. ESSA team met several women in Matiari and Umerkot who prepare local handicraft. Their thumb impression is distorted and can be inconsistent over a period of time[29] as shown in a photograph attached at the end of report[30]. Other cases related to skin diseases also complicate biometric verification (for actual case see photograph attached at the end of report). Some women who are ill and cannot move, find it difficult to use biometric verification and withdraw money. Although the percentage of such biometric verification issues may remain relatively small, this becomes a major cause of concern when the affected individuals are truly vulnerable and dispossessed.

127.   Many beneficiaries attributed their helplessness to a lack of awareness about the system, particularly bank procedures, payment options and language. Beneficiaries complained that BISP staff provides no reasons behind non-payment. They believe that BISP and the banks perceive them as illiterate and this explains their attitude. A woman from among the Kohli Hindu community noted: *"we only know how to make clay toys for children. We don't understand money matters and bank language and all the educated people out there fool us. They have no time to give reasons, or explain."* It seems that financial literacy can only be improved if the BISP network including banks are trained to impart such training with patience and in easily comprehensible steps to beneficiaries.

Result Area Two: Income Support for Human Development and Access to Complementary Services

Social Risks associated with Consolidation and Expansion of Waseela-e-Taleem

128.   Under this intervention, NSPP will support "capacity building of BBC (which) will be a key element in WeT expansion. The Program will support BBC's role to enhance communications between BISP and its beneficiaries. The committees serve as a vital platform to reinforce compliance with WeT co-responsibilities, and will have to be further strengthened to take on this role. In addition, BBCs will be leveraged to share information about the importance of education for children, and will offer a venue for beneficiaries to provide information about service delivery in education and share concerns with service providers." ESSA field mission came across several challenges in the social mobilization process at the field level that need to be addressed to reduce social risks.

129.   The social mobilization process followed under WET was undertaken through a partnership with a Nongovernmental Organization (NGO). However, it lacked direction from BISP in line with a planned strategy. BISP, therefore, could not use this process to link it with its core program and implement trust-building and information sharing strategies with beneficiaries. Also, it was rolled out in a fast paced manner that did not allow the requisite training and orientation of community groups that could lead to sustainable community organizations. The social mobilization process must be allowed to proceed in phased steps and allow for maturity of groups through training. Simultaneously, it is important to appreciate that at the grassroots level women often have several of their own and family responsibilities and the social mobilization team must have realistic expectations.

130.   In many field offices there is no Social Mobilization Coordinator (SMC) and BISP staff is not trained in community engagement, social mobilization and community development. The reliance on the mobilizing firm's District Coordinator and Social Organizers(SO)s is not proportionate to the actual role and responsibilities envisaged for the mobilizing firm. BBCs are in large number and a facilitation agency is certainly required. Yet it is important for BISP to take lead in social mobilization and improve communication, coordination and overall relation between BISP field staff, and BISP beneficiaries, especially at the BBCs level.

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[29] A case in point is Lal khatoon from Umar Saddar, Matiari; 79 years old; CNIC 41305-1976685-0
[30] See Log of Photographs

131.   There was no specific focus on vulnerable groups in the social mobilization instruments developed for the WeT program. Also, group members were elected but the election process did not ensure representation from religious and/or ethnic minorities, widows, disabled and other disadvantaged sections. The Social Mobilization Framework and Process Flow prepared for WeT did not clearly indicate the mechanism through which participation of vulnerable groups can be ensured, or resentment can be prevented (Annex –VIII)

132.   One key aspect that requires strengthening in the NSPP is the issue of lack of integration of social mobilization process within the core cash grant program. This prevents the development of community-based solutions to access the cash grants, restrict rent-seeking and manipulative practices of third party agents, trust building between BISP and beneficiaries through information sharing. The social mobilization expected to be supported by NSPP must link the groups with the core program also and use them as a bridge to enable two-way communication, encouraging of community solutions to problems of access and control of rent-seeking practices.

133.   BISP must lead and place emphasis on social mobilization as an overarching strategy for its core and complementary programs. For this purpose, BISP needs to develop a Social Engagement Unit/Team(possibly based within an existing Unit) that oversees the entire social mobilization process, guides its implementation to ensure that the process is used for improved communication and service delivery.

134.   It is important to appreciate that social mobilization leads to increased local ownership and participation of the people. It paves way for collective action and decision making, giving rise to local and people driven institutions as conduits for greater information sharing and transparency.

135.   Sustained participation is difficult for vulnerable groups, especially those suffering from forms of relative poverty and marginalization (for example religious/ethnic minority groups etc). Similarly, disability survivors are another group for whom appropriate tools for social mobilization and engagement need to be devised.

IV. POLICY & LEGAL FRAMEWORK FOR MANAGING SOCIAL IMPACTS OF THE PROPOSED PROGRAM

A. Introduction

136.   The Government of Pakistan has enacted laws, regulations, and procedures of relevance to social effects of the proposed program. The applicable social management systems in Pakistan from a legal, regulatory, and institutional perspective, are generally appropriate and comprehensive. On paper, the scope of the applicable environmental and social, legal and regulatory systems is considered to be adequate to address underlying social risks. Thus, no significant changes to the overall structure of the applicable legal and regulatory systems are envisioned or proposed under this operation. The following sections describe the most relevant aspects of the existing legal and regulatory framework as they apply to the proposed program.

B. Measurement of Poverty by the Government of Pakistan

137.   The methodology of poverty measurement was first determined by the Government of Pakistan based on consumption data of 1998-99. Headcount poverty was estimated through Pakistan Household Integrated Economic Survey (PHIES) on the basis of food intake. Official poverty line was set atRupee 637.54 per person per month (Planning Commission) at 1998-99 prices on the basis of consuming minimum 2350 kcal/day. Subsequently, poverty was calculated through considering inflation and overall expenditure. Target population has been the lowest 60% (surviving on minimum calorie 2350 kcal/day). Data on poverty is political as well as technical and the one after 2007-08 should be taken with skepticism (Economic Survey 2015-16, GoP). In 2012,atechnical committee to review official methodology for poverty assessment was formed. It was noted that the data regarding poverty line/consumption basket was outdated and unrepresentative. It was also realized that the official methodology lacked comprehensive approach and excluded non-food segments and consumption patterns. Improvements were introduced and the poverty line now addresses both the consumption patterns and socio economic changes. The new reference group covers households that lies in the 10th to 40th percentile of the distribution of per adult equivalent consumption expenditure. The calorie standard is kept constant at 2350 calorie/adult/day. In terms of methodology, Planning Commission has adopted a new poverty line based on Cost of Basic Needs (CBN) and focuses on consumption pattern of household in the reference group. CBN is a reliable methodology for establishing the absolute poverty line. At the first stage, data is acquired along average spending on food / calorie count; nutritional line and the (final) Food Poverty Line (FPL). At the second stage, data is acquired for non-food expense (i.e. clothing, shelter and education).

138.   Several laws, regulations and procedures have been developed at the federal and state levels to address key social risks. The most important of these overarching laws and regulations related to social protection and poverty include the following:

C. Benazir Income Support Programme (BISP) Act 2010

139.   This is the main act to provide for the establishment of Benazir Income Support Programme.The Act is structured into nine (9) chapters covering the preliminary; program, establishment, objects and purposes; governance of the program; establishment of council; powers and functiosn of tmanagement; eligibility for program benefits and its disbursement; fund, accounts and audit; employees of the program and miscellaneous.

The objective and purposes of the Program are defined to:

- Enhance financial capacity of the poor people and their dependent family members;
- Formulate and implement comprehensive policies and targeted programs for the uplift of underprivileged and vulnerable people; and
- Reduce poverty and promote equitable distribution of wealth especially for the low income groups.

140.   The Act describes the governance of the program through BISP Council, BISP Board, BISP Management and other institutional setup.

141.   The highest body is the BISP Council.President of Pakistan is the Chief Patron and the Prime Minister is Executive Patron of the Council. The Council comprises highly reputable, distinguished and well accomplished national and international individuals who shall be appointed by the Chief Patron on the advice of the Executive Patron. The Chairperson is the *ex officio* Member of the Council.The act also defines the powers

of the Chairperson.

142. BISP Board is also defined as an important institutional pillar. It is defined that the Programme consists of the Chairperson, Members,Management and such structure as determined by the Board, and shall function in accordance with the regulations. The number of members of the Board are also fixed within a range of nine to eleven. These Members of the Board are appointed from amongst Government, Nongovernmental Organizations (NGOs) and technical experts who have relevance to the purposes of the Programme having such qualifications and experience as may be determined by the Federal Government by notification in the official Gazette for a term of three years. The Act also defines the responsibility for determining the eligibility for programme benefits and its disbursement. It states that the Board shall determine, from time to time, criteriafor eligibility of persons and families for financial assistance from the Programme and funds of the Programme shall be disbursed to eligible persons and families in a manner approved by the Board and prescribed in the regulations.

143. The powers and functions of the BISP management are also clearly defined by the Act, which, among other important administrative matters, include the function related to identification of eligible families and grievance redress as listed below:

- Identify eligible persons or families for financial assistance or other benefits; and
- Implement mechanisms and processes that facilitate the removal of grievances and complaints related to the Program's operations as provided in the regulations.

144. Grievance Redress has been given due importance in BISP Act. In Chapter-IX, the provisions for the Grievance Redress are further elaborated as:

- Any person or family aggrieved by a decision against the eligibility may, within thirty days of the decision, file a representation in the form and to the authority as may be prescribed by the regulations.
- The representation made under sub-section (1) shall be examined for determining eligibility for financial assistance under the Program in accordance with the manuals approved by the Board.

145. Regarding Grievance Redress, the Board has been vested with powers to make regulations. It states that without prejudice to the provision of subsection (1), the regulations shall provide, *inter alia*, financial assistance, payment schedule, grievance redress, social audits and operation of complementary graduation Programs.

146. Fund, accounts and audit procedures are defined in Chapter-VII. Apart from funds, budgets and internal control, the requirements for audits are also clearly described to ensure transparency. It states that the accounts of the Program shall be audited every year by the Auditor-General of Pakistan in such a manner as may be prescribed. Copy of the audit report, submitted to the President, shall be sent to the Board for information and remedial actions, if any, and to the Council as well as the Federal Government for information. The Board shall approve the Program's annual report which will be laid before the Council and the Parliament.

D. Operation Manual BISP, 2010

147. The Operations Manual (OM) is the prime document describing the operations of the BISP-SN and serves as the main reference document for all stakeholders. It provides an insight on the design and implementation mechanisms of BISP-SN.It may be noted that the extracts given below from the OM were drafted in 2010; hence some descriptions could be dated. BISP is in the process of updating the OM in the light of past experiences and use of new technology and processes.

Objectives of OM

148. OM is prepared with the specific objectives to:

- Serve as a reference document for all stakeholders and enable them to understand the approach, processes, implementation design and activities under the Program;
- Clarify the core policy and implementation arrangements for program operation;
- Indicate the performance parameters expected of the management, operations and personnel;
- Ensure that the requirements for transparency, fairness, equity, compliance, social accountability, accounting and auditing are met; and

- Guide the programoperation, especially the functions to be performed by each stakeholder under the program.

Structure and Coverage

149.   OM discusses the Structure of BISP at the level of the BISP Board, BISP Headquarters - specifically the then Operations Wing - as well as at Provincial, Divisional and Tehsil levels. The design parameters of the Program covering the BISP-SN program objective; the target group of the program; the eligibility criteria for beneficiaries; payment amounts; frequency of payments and delivery mechanism; and recertification as well as exit policies are also discussed. OM provides an overview of the entire program cycle and describes in detail the following essential processes:

- **Targeting process:** Describes the preparation and implementation of the massive nation-wide *Targeting Survey*conducted throughout Pakistan, including all logistical needs, capacity building activities for staff and a national as well as local Public Information Campaign(PIC) in preparation of the data collection in the field.
- **Data Processing process**: Includes the data entry of *Targeting Forms*, the verification of the submitted information, the application of the proxy means test formula and the selection of receiver women.
- **Payment process:**This part looks into the payment calculation, payment list development, delivery through payment agencies and payment modes.
- **Case Management and Customer Services**: Covers the handling of information updates for receiver women, handling of appeals and complaints on issues related to targeting, payment and quality of service and protocols to address specific situations.

150.   Monitoring mechanisms during program implementation are also detailed in OM which ensures that each activity is being carried out as described in the OM and supports constant high quality service delivery. Methodologies for carrying out necessary operational evaluations as well as an impact evaluation after a set period of time. It also provides an insight to the agreed upon auditing system for continuous internal auditing as well as for periodic external audits.

151.   An overview of the contents and means for the massive PIC during the implementation of BISP-SN has been described. OM explains that *'Orientation and Training'* will provide: a) details on the Orientation and Training needed for staff of all stakeholders; and b) details on Orientation needed for beneficiaries on existing complementary programs for which BISP beneficiaries will be eligible

152.   OM is accompanied by the following seven (7) Technical Annexes including:*Targeting Manual for Data Collection; Targeting Manual for Data Entry, Validation, Verification and Beneficiary Selection; Payments Manual; Case Management Manual; M&E Manual; Organizational Structure Manual and BISP-SN MIS Requirements Manual.*

Social Aspects Covered in the OM

153.   BISP is designed to target poor households and it is one of the major safety net programs in Pakistan. The social aspects are reflected throughout the manual. However, major items are briefly described as below:

Design Parameters

154.   BISP-SN is targeting households that are living in extreme poverty. The Program uses ProxyMeans Test (PMT) for the selection of beneficiaries. The PMT Formula is based on the Pakistan Social and Living Standards Measurement Survey (PSLM) that was conducted byFBS in 2007-2008 and uses variables related to estimated income and consumption of households. The PMT allows the calculation of a "poverty score" for a household which is used for ranking households according to income deciles. Households with *poverty score*on orbelow a pre-determined*eligibility cut off point* are considered as being poor and are identified as *eligible households*. Thus, the PMT is used as an instrument to select the poorest households for the Program. Presently the *eligibility cut off point* is 16.17.

155.   *Eligibility Criteria*: The eligibility criteria are defined in two steps:

- **Identification of poor households**: The data of households is collected by filling the *Targeting Form*. The eligibility of the household is determined by comparing the poverty score derived from the application of the PMT formula against a pre-determined eligibility cut-off point. All households with poverty score on orbelow this cut off point are declared as *eligible households*.

- **Selection of receiver women**: The beneficiaries of the BISP are all ever married women having valid CNICs, within the Eligible Households.

156. **Re-Certification**: The initial eligibility of a receiver woman is defined for a period of four years and she would receive cash benefits for 48 months. Within this period, a receiver woman would only exit the program if any of the reasons detailed under *Duration and Exit Policy* would apply. After four years, re-certification will be undertaken whereby the poverty score of all eligible households will be re-calculated. If the score still falls below the eligibility cut-off point, the household will continue to be eligible; however, if the score is above the cut-off point, the household will smoothly exit the program. Before beginning re-certification, BISP may update the *Targeting Form*, based upon information provided in the latest Household Income and Consumption survey and any other factors considered important by the Board.

157. **Beneficiaries**: Once households are declared as eligible, all adult ever-married women (i.e. over18 years of age) within these households, and meeting the previously mentioned eligibility criteria of being ever married and holding a valid CNIC, are selected as beneficiaries (called "receiver women" by the Program). In case an 'ever married woman' does not have a CNIC, she would have to first obtain a CNIC from NADRA before applying to the Program to become eligible for receiving cash benefits.

158. **Payment Amount, Frequency of Payments and Delivery Mechanism**: BISP beneficiaries (receiver women) typically receive a monthly (now quarterly) payment. A variety of mechanisms would be used for the delivery of payments to beneficiaries. These could include money orders, smart cards (now replaced by debit cards), mobile phone transfers, etc.

159. **Duration and Exit Policy:**The Program aims for maximum impact by providing beneficiaries (receiver women) with cash transfers as long as possible, provided that the need persists and the receiver women continue to meet with the program's eligibility criteria. However, the following reasons would provide due cause for a BISP-SN beneficiary to exit the Program:

- *Re-certification:* After a period of four years, the BISP-SN will undertake a recertification process whereby eligible households will be re-evaluated by filling the *Targeting Form* and re-applying the PMT formula. The eligibility of the household will then be re-defined according to the program's eligibility criteria. In case the household's score is on orabove the cutoff point, it will no longer be eligible to receive the benefit.

  Other reasons not related to the re-certification but also causing exclusion from the program are:
- *Renouncement*: The receiver woman decides to renounce herself as a beneficiary of the Program.
- *Fraud*: The household representative has presented false information related to eligibility and/or committed fraud against the Program.

Design of Public Information Campaigns (PIC)

160. For the design of any PIC for BISP-SN, the specific circumstances of Pakistan, which are determined by the following factors, were taken into consideration:

- The majority of the population (more than 60%) lives in rural areas, many of them even in remote villages, where the people have only limited access to any form of mass media;
- BISP-SN is providing cash benefits only to adult female representatives (receiver women) of poor families (in eligible households), which presents a challenge for the PIC for the following reasons:
  a. The number of adult women in Pakistan, who are illiterate, is relatively high. Among general population, the percentage of illiterate women is estimated at about 64%; any PIC needs to take this into consideration; and
  b. As a consequence of the above, the female participation rate in Pakistan's labor force is very low, implying that majority of women stay in their homes.

161. The BISP Safety Net is the first Program providing regular cash assistance to the poorest families in Pakistan at such a scale. Although Pakistan Bait-ul-Maal and Zakat also provide services to the poor, their number of beneficiaries was, in comparison, relatively small and the payments were not made regularly. Thus, the concept of regular cash assistance for the poor still needs to be introduced to the Pakistani population.

162. The PIC is, therefore, intended to increase the awareness on the BISP-SN, its target group, benefits and main features. It is also envisaged to promote public understanding for the *Targeting Survey* and to encourage

the participation of the population in the survey.

163.   The Campaign is designed to target different audiences, among which the most important are:

▪ Specific groups of the society such as existing beneficiaries and poor segments of the population that might be interested in participating in the Program;
▪ Stakeholders of the program like GoP and its various entities; BISP Operations Wing; other stakeholders such as NADRA, DEOs, POs and Payment Agency
▪ Other organizations or persons interested in BISP safety net such as, internationalorganizations, potential donors and media

164.   For potential and existing beneficiaries, the materials mentioned under the local campaign will be available in all relevant BISP-SN offices at the head office, provincial, divisional and tehsil levels. Beneficiaries of the Program will furthermore receive *Receiver Women Guidelines* that will inform them on BISP-SN parameters and on their rights and obligations as BISP's beneficiaries.

165.   Representatives from international organization, potential donors as well as representatives from BISP-SN stakeholders might use other communication channels, such as direct contact with relevant BISP personnel (Management personnel as well as Media and Public Outreach personnel) and BISP's website, which shall provide deeper insight into BISP's safety net.

166.   Apart from provision of PIC, the BISP website shall provide general information on BISP-SN to the public, facilitating a high level of transparency of the Program. It would also allow existing and potential beneficiaries to interface with the Program. BISP-SN will offer online account access to households and receiver women through the website. Receiver women will have access to their account information, eligibility status and status of payments. Receiver women will also be able to file appeals and complaints in a user-friendly format. The online facility will be managed by the Beneficiary Services Officer. According to the OM, the website will provide information on program and its implementation andprogram administration.

Case Management and Grievance Redress Mechanism

167.   *The BISP-SN envisages a case management system that*:

▪ Guidelinesfor concerned stakeholders (i.e. BISP-SN, POs, Payment Agencies, etc.) on their key functions, roles and responsibilities to amend omissions during the targeting process, solve beneficiaries' complaints in relation to payments and quality of service and update information of households and families participating in the Program;
▪ Provide a mechanism for social accountability of the Program and facilitate all participating households to interact with the Program *and*
▪ Enable existing and potential beneficiaries (potential/eligible households and families, receiver women, etc.) to understand the procedures to present appeals and complaints and to update information on the household/family. Case management would address issues (cases) related to: updates of information for household/receiver women; appeals by households not selected by the program; and complaints about payments and quality of service.

168.   *Institutional Arrangements for Case Management*: According to OM, for handling all case management issues, the BISP-SN shall establish a **Customer Services Unit** within the BISP Operations Wing in Islamabad and shall appoint specialized case management personnel for this Unit and within Divisional Offices. The Unit in Islamabad shall be headed by the *Director of Customer Services*, supported by *Coordinators* to handle the field implementation for *Appeals, Updates and Complaints*. This team shall be supported through *Beneficiary Services Officers*, located in Divisional Offices.

169.   *Mechanisms of submitting Updates, Appeals and Complaints*: Current and potential BISP-SN beneficiaries will have access to a variety of mechanisms to submit Updates, Appeals and Complaints to BISP-SN, as well as to enquire about information on their status in the BISP-SN. These would include: in person at relevant BISP-SN offices; through telephone calls to the BISP-SN Help Desk; on-line through the BISP-SN website; and by mail.

170.   *Entry in MIS*: The *Operations Assistants* at the Tehsil Offices will review all Updates, Appeals and Complaint Forms and enter data in the MIS. The MIS will generate an identification code for each Update, Appeal and Complaint entered in the system, to facilitate its follow up. The MIS will produce a report of all cases presented. The *Beneficiary Services Officer* will forward the report to the *Appeals, Updates and Complaints Coordinator* at BISP-SN head office.

171.   *Case Management Hierarchy*: Every case related to Targeting, Payments or Quality of Service, based on its nature, will go through the resolution process at different levels of hierarchy in BISP-SN. All the cases will generally start from the lowest level in the area, typically from Tehsil office. Areas where Tehsil offices are not functional at the time a case is identified, the next available office up in the hierarchy will manage the case. Complaints/appeals or any other request received in headquarters, BISP Help Desk and on-line at the BISP-SN webpage will mostly be forwarded to the office nearest to the address of the person making the complaint/appeal/request, based on the data with BISP SN. The cases will be forwarded to higher levels for resolution and/or acceptance, based on their nature. The BISP-SN MIS is the main resource for case management. It performs three main functions for this purpose: receive cases; resolve cases; and provide to the beneficiaries an interface to the Program.

Training

172.   BISP-SN OM included a comprehensive section on training of all stakeholders.

E. Social Mobilization Manual, 2014 version (updating the previous versions)

173.   Social mobilization is a process that is considered fundamental to all BISP programs, particularly to keep BISP beneficiaries engaged, committed, aware and informed. Essentially, local social mobilization structures are used for the purpose.

174.   The manual clearly identifies key stakeholders (BISP, Social Mobilization Firm, Committee of BISP Beneficiaries and Local Village Authorities) and outlines their roles and responsibilities. Also the process flow regarding formation of beneficiary committees is clearly explained and relevant instruments (printed forms) are included. The social mobilization process has four main objectives: i) establish BBC; ii) convene regular meetings with beneficiary committees; iii) follow up with BISP beneficiaries and BISP pending families; and iv) conduct the local level beneficiary communication. Although the objectives are defined broadly so that these are applicable to BISP core programs – the included annexes in the social mobilization manual confirm that by and large/so far, social mobilization has only been used for WeT.

175.   As per the manual, BISP Head quarter should have human resource dedicated to social mobilization. This staff is made responsible for coordination, implementation, training and communication. At the Tehsil level, BISP AD and Social Mobilization Firm are made responsible to guide the process. ESSA field mission discovered that in many offices there is no Social Mobilization Coordinator.

176.   The SM manual clearly outlines roles and responsibilities for the Divisional Director (DD), AD, and Social Mobilization Firm. It also elaborates communication flow between BISP and the Social Mobilization Firms that is represented by its District Coordinators and Social Mobilization Team consisting of SOs and Senior Social Organizers). The Social Mobilization Firm is expected to design SM material and submit for BISP approval. BISP is responsible for providing trainings to master trainers, both within BISP and Social Mobilization Firm. The trained staff is made responsible for training field staff. It is pertinent to mention that during ESSA mission BISP field and Divisional staff counted community engagement, social mobilization and community development as areas that needed capacity building and improvement. As per the manual BISP must have regular meetings with the Social Mobilization Firm so that the overall BISP objective and program implementation can be synchronized.

177.   The manual provides details of the preparatory activities, preliminary field work, formation of BBC and ongoing field work. At the preparatory stage, BISP prepares social mobilization instruments for beneficiaries. Annexes include templates on mapping, BBC directory, BBC meetings, BBC representative form, case resolution control, case registration control, follow up and cash transfer receipt - all mostly including pre-printed geographical and personal data of beneficiaries. Vulnerable groups are not specifically included in any form in these instruments. Most of the information is pre-printed and specific (categorized and/or numbered) – but there is no pre-printed prompt to check participation of vulnerable groups.

178.   BBC Representative Form is used for keeping record of elections. BBC representatives are elected through proper election that the SO conducts and through ballot casting. However, ESSA field investigations discovered that there was no specific means for inclusion of highly marginalized groups. The ESSA suggests that representation from religious and /or ethnic minorities, widows, disabled and other disadvantaged sections be ensured. Preferably some seats in BBC should be reserved for such groups.

179.   Minimum number of beneficiaries in a BBC is 25 and maximum is 100. All beneficiary villages/towns are clustered for a BBC. In case of less than 50 beneficiaries within 5km range, the geographical spread for a BBC may be extended to a maximum of 10 km. This is problematic for women living in mountainous terrain. Five to 10 KM on a straight road are perhaps manageable but in mountains, such as the Hindu Kush or KotliSattian that ESSA team visited, beneficiaries experienced difficulty reaching BBC meeting venue. This criteria needs to be revisited.

180.   BBC are to be informed fully about BISP program(SM Manual –Feb 2014, p.15). The manual guides SO to allow beneficiaries to discuss any aspects of BISP program.

181.   The SM manual (Feb 2014. p.21) provides the following monitoring indicators and formula for social mobilization process (Table 4.1)

Table 4.1: Monitoring Indicators and Formula for Social Mobilization Process

Indicator	Formula
Percentage of mapped beneficiaries	(Number of mapped beneficiaries/total number of beneficiaries)
Percentage of mapped pending families	(Number of mapped pending families/total number of families)
Number of BBC	Total number of BBC established
Percentage of planned activities executed	(Number of executed activities/total number of planned activities)
Percentage of cases received through BBC	(Number of cases received through BBC/total number of cases received)
Percentage of attendance per BBC	(Number of BBC members present/Number of total members of BBC) *100

F. BISP Waseela-e Taleem (Primary Education Co-Responsibility Cash Transfer Program) Social Mobilization Guidelines, 2012

182.   The guidelines[31] place emphasis on 'participation'. It remains unclear what participation exactly implies: a simple registration; increased interaction; representation or inclusion?

183.   The document notes BISP's broader objectives as women's empowerment, managing economic shocks and human capital development through education and orientation on life skills. On BISP website the objectives are noted as: supporting the achievement of millennium development goals to eradicate extreme and chronic poverty; to empower women and to achieve universal primary education. It is important to 'officially' define organizational objectives and remain consistent about them.

184.   For WeT 25-35 BISP beneficiary families/recipients gather to form BBC at the community level. Members of these community level BBC are further represented at the Union Council and Tehsil level. The guidelines focus on forming these committees according to local norms, cultural settings and geographic coverage of beneficiary families in a certain area.

185.   In the second phase, a nationwide rollout focuses on M&E of the social mobilization process. ESSA emphasizes that monitoring should be in-built and done regularly and frequently especially around issues and indicators of accountability, transparency, efficiency and effectiveness of the program. Particular attention

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[31]BISP is in the process of revising Waseela-e Taleem related documents/ guidelines.

should be given to vulnerability, social tension, and indigenous people.

186.   The documents provide a social mobilization process in the form of a framework. However the social mobilization process does not indicate when, where and how representation of vulnerable /indigenous groups will be ensured. The ESSA recommends highlighting it in the main framework, throughout the process flow.

187.   BISP Union Council Counselors are elected for a period of one year. BISP can disqualify them on valid grounds at any time without communicating reasons. BISP Tehsil Committee is represented by Tehsil Coordinator who is elected by the BISP Union Council Counselors in committee meetings. The Tehsil Coordinator serves as a representative of BISP Tehsil Committee and is connected to BISP Tehsil office. BISP Tehsil Coordinator[32] is also elected for a year and on valid grounds BISP can disqualify her. Further details regarding valid ground is not provided in the document.

188.   ESSA recommends that the following additions are made in the criteria noted for BISP Mother Leaders, BISP Union Council Counselors, and BISP Tehsil Coordinator.

- Good conflict resolution skills, preferably with past record that the community can narrate as proof.
- Experience of public dealing.

189.   Capacity building sessions are included in the plan. These aim to provide orientation and elaboration on the role and responsibilities of the BBC. The Social Mobilization Firm and BISP will organize regular meetings with BBC and share with them program details, address beneficiary concerns, complaints and claims. However, the ESSA field review found that little systematic training and capacity building of BBC had taken place.

G. Waseela-e-Taleem Co-responsibility Cash Transfer Program: Operations Guidelines for Communication and Public Information Campaign (PIC), 2012

190.   The communication strategy and PIC is designed for each process of WeT: Enrolment, Compliance Monitoring, Payments, and Case Management. The communication strategy focuses on creating awareness, increasing coverage of eligible households and dispelling any misapprehensions about the program. The information campaign aims to uphold accountability and transparency

191.   The operations guidelines identifies two main objectives of the PIC. These are: (i) to explain the main features of WeT program and the larger context within which it has been developed and (ii) to explain the key features of the individual processes i.e. Enrolment, Compliance and Case Management etc. and ensure beneficiary understanding, and participation in the program.

192.   PICs are planned for each stage of the project starting three weeks prior to enrolment. There are two kinds of PICs - national and local. The national level campaign involves BISP Communication Specialist and advertisements are designed for electronic and print media. At the local level, BISP provincial, divisional and tehsil offices are involved. Also a third party is contracted for spreading the message in collaboration with other local NGOs. Local announcement at public places are made. Printed material is provided to aid the process. At the local level, the PIC activities are launched almost a week before actual enrolment. Banners, posters, leaflets, pamphlets are printed in regional and local languages. For the uneducated, it is hoped that BISP logo will convey the message. Clearly, the emphasis is on public places, even tandoors (clay ovens). Men dominate these public places and women, particularly those who do not have a male relative are likely to miss information. During ESSA field missions, widows in Matiari, Qasimabad, Thatta, and Punja Sahib expressed their inability to access information made available in public spaces. The ESSA recommends that information campaigns at the local level can have greater impact if undertaken at door to door level. If this would incur higher expense, then at least vulnerable segments of society should be reached with the help of NADRA. This can be an option as NADRA issues CNICs with disability symbol to all persons with disabilities. Also, NADRA offers lifetime registration to the elderly. At the tehsil level BISP and NADRA can collaborate to print data of home addresses of all those who are disabled or elderly.

193.   The PIC's focus is on conveying features of BISP core program as well as WeT to its audience in clear

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[32] Please note that the prefix BISP here means 'BISP beneficiary representatives' and not official BISP staff. The social mobilization firm has used this nomenclature that can be confusing for readers.

and comprehensible language. The operations guidelines aim to: "symbolize the character and approach of the program that should be clear to all units, representatives of BISP and partners so that they can also consistently follow the same line of messages and ensure that those who interface with BISP also perceive it in the same manner". This realization is very valuable.

194.   The WeT PIC presents a list of primary, secondary and tertiary audience. Within primary it notes direct beneficiaries as those eligible households and families that have school going children aged: 5-12 years. No mention is made of children with physical disabilities, or learning disabilities. WeT information campaigns do not specifically address guardians of such special children. Its audience does not include such organizations who are engaged in taking care of such children. ESSA recommends that this issue should be addressed.

V: CAPACITY ASSESSMENT FOR MANAGING SOCIAL EFFECTS RELATED TO PROGRAM

A. Introduction

195.   This section summarizes the evaluation of the capacity of program institutions to implement the program and manage social risks associated with NSPP. It focuses on the institutions linked directly and indirectly to the implementation of these systems.

B. Existing Institutional Framework of BISP

196.   BISP is dedicated to fight poverty by employing multiple social protection instruments designed to bring a sustainable positive change in the lives of persistently excluded and deprived families.BISP has five (5) implementation levels:

- **Policy Level**: Represented by the BISP Council and the BISP Board;
- **National Level**: BISP Headquarters executes operations at the national level;
- **Provincial Level**: 6 Provincial/Regional Offices ensure the implementation of the Program in all provinces;
- **Divisional Level**: Over 30 Divisional Offices; and
- **Tehsil Level**: More than 400 Tehsil Offices are in charge of the field work and maintain direct contacts with beneficiaries (receiver women).

BISP Management

197.   BISP Management implements policies and makes arrangements for implementation of its various programs, as approved by the Board, and as scheduled in annual implementation plans. BISP Management is the main executing agency and, as such, in charge of the overall management, including the administration, human resource management, financial management, as well as M&E of programs.

198.   The main responsibilities of the various geographical entities are given below:

- *BISP Headquarters:*Various wingscarry the overall responsibility to manage the planning and implementation process of the BISP-SN and secure a high level of service delivery throughout all provinces and regions of Pakistan. As the main entity responsible for BISP-SN implementation, the HQ is in charge to organize all operations and monitor the implementation of Targeting, Data Entry, Beneficiary Selection and Payments. The HQ is alsoresponsible to establish anM&E system throughout all geographical entities, develop and maintain an MIS for the Program and establish procedures for Appeals (in case of non-selection as beneficiaries), Information Updates (for beneficiaries), Complaints (erroneous or missing payments, low quality of service) and for referrals for other Programs.
- *Provincial Offices:* For each province/region, Provincial Office is responsible to organize, plan and coordinate operations within their province/region and to interact closely with regional authorities, partner organizations, payment agency and any consultants hired for M&Es. Provincial offices are headed by a Director General and utilize professional staff for administration, human resource management, procurement for all offices in the province, payments to beneficiaries, operations planning for programme activities in the province/region in close coordination with divisional and tehsil offices and field operations management.
- *Divisional Offices:* They are the next operational level, each of them serving between three and five districts. Their main responsibility is the coordination of services to beneficiaries for the respective division and the tehsil offices under its responsibilities. As such divisional offices communicate between the HQ and the field operations and secure that BISP-SN activities are implemented as detailed out in the OM and its Annexes and as scheduled in the annual implementation plan. *Tehsil Offices: The*y are the main service provider to beneficiaries. These offices serve as a communication point for beneficiaries as well as for the general public for all issues that relate to the BISP-SN. They provide easy access for people to the program, without the need to undertake long travel to divisional offices. Tehsil offices oversee the targeting process conducted by partner organizations as well as the payment process as implemented by the payment agency. In every day operations, they handle *all case manage*ment issues, such as beneficiary data updates, appeals from households declared ineligible and complaints on payments or quality of BISP-SN services. In each Tehsil Office, one Assistant Director and oneassistantcomplainthandle the work.

C. Institutional Capacity: Presence, Service Delivery and Outreach

199.   The section below presents an assessment of the present institutional capacity of BISP. It must be noted that the analysis is based on the available information shared with ESSA team during the meetings and field surveys. Generally an effective institutional arrangement has been designed for BISP but its capacity to manage social risks needs to be augmented significantly.

200.   The major issues related to the institutions are related to hiring and retaining of staff, mobility, logistics, a robust institutional setup at Tehsil level (especially in Sindh, Balochistan, Chitral) andinterdepartmental communication.

Infrastructure

201.   The staff in BISP offices do not have the necessary infrastructure and facilities like uninterrupted power supply and other office equipment. This impedes the official work and reduces the performance efficiency of the staff. NSPP's proposed investment in BISP offices should also include the provision of this equipment.Some locations that were visited did not have water and sanitation facilities, which can be problematic for women and children.

202.   Balochistan is a particular case as it is the largest province in terms of area and in overall, there are about 240,000 beneficiaries in Balochistan with maximum number being in Nasirabad division and a sizeable number in Kalat, Quetta and other divisions. The details of beneficiaries as shared by BISP is shown in Table attached as Annex-IX.There are 6 divisions, 32 districts and 89 tehsils in Balochistan and accordingly institutional arrangements in the province is designed at divisional, district and tehsil levels. Organization hierarchy is headed by Director General (DG) at provincial level supported by Director (HQ) and other offices as shown in Figure 5.2 attached as Annex-X.Out of a total of 32 districts in Balochistan, 26 have established offices which are presently functional. The institutional arrangements are mostlydeficient at tehsil level. In most of tehsils, office are still not established and district level office tries to cover all the tehsils in a district. This is a very challenging task as several tehsils are located at very large distances in Balochistan from district level office and it is very difficult for the beneficiaries to cover long distances to access BISP district office. NSPP needs to support BISP network development under a review of demand for services in various areas.

203.   The BISP institutional setup in Balochistan is seriously understaffed and 72% positions are still vacant. Staff have been allocated to offices at different institutional levels but most of the allocated positions are still vacant as shown in Table 5.1 below. It can also be seen that several important positions like DDs, ADs still remain vacant. Moving on to better and more secure jobs is one of the main reasons for brain drain as mentioned by the BISP in Balochistan. Filling of these posts should be a priority under NSPP support.

Table 5.1: BISP Staff Status (as on October 01, 2016)

Sr. No.	Position	Allocation	Vacant
1.	Director General	1	0
2.	Director (HQ)	1	0
3.	Divisional Director	6	2
4.	Deputy Director (Initiatives)	4	1
5.	Assistant Director	86	62
6.	Accounts Officer	1	1
7.	Assistant Accounts Officer	6	5
8.	Senior Auditor	1	1
9.	Assistant Media Officer	1	1
10.	Personal Assistant	8	4
11.	Assistant	3	2
12.	Assistant Complaint	118	92
13.	Field Supervisor	86	60
14.	Despatch Rider	7	0
15.	Driver	8	0
16.	Naib Qasid	101	80
17.	Naib Qasid-Watchman	20	20
18.	Watchman	100	80
19.	Sweeper	7	1

Sr. No.	Position	Allocation	Vacant
20.	Gardner	7	2
	Total	**572**	**413**

Some important positions to deal with social aspects are the AC who deals with public and complaints and Field Supervisor (FS) who maintains a close liaison with the communities on a day to day basis. As it can be seen from Table 5.2 above that 78% (92 positions out of a total of 118) of AC positionsare still vacant which seriously hinders the complaints and case management system of BISP. Similarly 70% positions of FS are still vacant which might result in a serious communication gap between communities and BISP in Balochistan Province.

204.   In Mirpur Khas there are 22 tehsils and only three ADs. BISP staff self-finances its field missions. For example, AD Umerkot who is also responsible for Mithi, Tharparkar covers his own transport in a place where public transport is difficult to avail. Walking from one village to another (mostly organized as hamlets), BISP staff has to cover several kilometers in tough weather conditions.

205.   The zones in divisional directorate, Hyderabad are shown in Annex-XI. There are nine tehsils in Thatta and only three ADs are dealing with beneficiary case load of 158,000[33]. No waiting areas are available and BISP does not always have their own office space. Lack of proper infrastructure and human resource produce disgruntled beneficiaries who mightreact against the system.

206.   Chitral is one of the larger districts in Khyber-Pakhtunkhwa (KP) consisting of 24,000 beneficiaries. Among these, more than 20,000 are active and about 3,500 pending beneficiaries. There are two ADs located in two tehsil offices and the AD in Chiral tehsil covers the Kalash Indigenous People. The two tehsil offices have two ACs and a field supervisor. As in other provinces, BISP tehsil offices in Chitral are also understaffed. They are not aware of any OM, guidelines or Standard Operating Procedures (SOPs) related to BISP. A point of concern is that BISP staff does not have the capacity, equipment or institutional cover, to handle issues related to officesecurity. One key area in relation to security is ability to implement basic safety protocols and procedures in case of a subversive activity.Most of the BISP offices are not beneficiary friendly leading to distress among beneficiaries. In many instances, the offices are underequipped that affects the overall work efficiency and output. For example, a beneficiary using complaint registration is not provided an automatically generated complaint ticket as either the office lacks a printer or the required stationery or both.

207.   It is very important to improve grievance redress mechanism so that any follow up appeals can be addressed effectively. In this regard, it is important to make the user interface more meaningful and register complaints the way these are reported.

Training and Capacity Building

208.   A short qualitative survey was carried out mainly to acquire basic data about BISP field level staff and identify their training needs. 22 survey questionnaires were filled out that included 20 men and only 2 women. The staff consisted of ADs, ACs and field supervisors who were all engaged in field as well as desk jobs. 12 staff members were permanent and 68% had received at least one BISP funded training. Yet 73% of respondents informed that they are regularly engaged in work for which they had not received any formal training. Almost 77% were unsure with regard to their skill level for implementing BISP's new initiatives and only five out of the 22 respondents were confident about their current capacity level. BISP staff's self-identified training needs include: Community development (almost all respondents across Sindh wanted this); community and social mobilization; communication with beneficiaries and implementing partners; crowd management; project management, impact evaluation, software development and information technology; service delivery during transition; effective public dealing; PCMS/CMS (every 06 months)/ and other technical trainings; banking systems and how they work; field monitoring training; social mobilization, management and coordination. Some respondents also emphasized the need of training or briefing on the proposed changes to be implemented by BISP. Majority also noted "any other training"/ "extra training" elaborating in interview session that they mainly depended on their headquarters, regional and divisional offices for guidance and that they were willing to learn anything that would be necessary for improving their job performance.

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[33]Reported by BISP field office

Making Service Delivery User Friendly for Women

209.   A small number of women are employed in BISP field offices. In the sample offices, ESSA team met only four women (AD Haripur, AC Haripur, NADRA token issuer Chitral and a worker in Quetta office). Given the fact that BISP beneficiaries are women, it is important to increase women representation in BISP offices. However, it is equally important to introduce clear infrastructure and personnel focused safety measures in order to provide a safe working environment to BISP women staff. If these issues are addressed, in the longer run this can pave way for successful implementation of complementary programs (subcomponent 1.5), especially those regarding health. BISP women staff and beneficiaries would be able to form an environment conducive for attending to women's health issues with the support of relevant complementary program staff. The ESSA recognizes that recruiting women in all offices across the country is an uphill task but recommends that at least priority areas are established where greater recruitment of women can take place in a phased manner.

Communication and Coordination Issues

210.   Communication and coordination issues between government departments is another area of concern - an issue that is mostly linked to lack of available resources such as transportation, and applicable allowances. In this situation inter-agency/department coordination becomes an issue, for example in WeT where BISP meetings are often not attended by staff from the Department of Education.

211.   Communication gap exists between BISP tehsil office and other BISP offices at divisional, provincial and federal levels. The M&E process needs to be strengthened. Tehsil offices prepare and share progress reports for the Head office. These reports are largely numerical and devoid of any qualitative analysis or feedback. At places, while engaging with BISP field staff the ESSA team realized that the former is impressively knowledgeable about the local area and issues, and even suggested improvements for the system. BISP headquarters need to devise instruments through which feedback and suggestions from the field staff can be officially and properly channelized.

212.   BISP needs to engage fully with the local government. Local government is a major and most promising stakeholder. Collaboration between BISP and other public sector line agencies needs to be strengthened in order to ensure successful outcomes of BISP interventions. BISP must involve available government resources in a meaningful way. Social welfare department, Nazims and councilors at the district, tehsil, and village and town level all can play a very effective role in making BISP a success story. For this purpose, MoUs should be signed between BISP, local government, NADRA and other relevant departments.

Private Partnerships and Issues in Governance

213.   BISP is entering into private partnerships with commercial banks and partnering with civil society organizations. In this regard Safeguard policies guide the World Bank to note procedural and performance standards that are being observed. The Development outcomes planned with private partners should be consistent with ESSA and partnerships should not jeopardize sustainable development.

Partnerships with the Mobilizing Agency.

214.   Contracts with private partners should clearly uphold the spirit of Safeguards and sustainability must be assured in letter and in practice.One example is the BBC social mobilization process. BISP staff informed the ESSA that although the transfer and closure policy of program was clear, it was not followed. This could stem from no direct unit in BISP taking charge of the social mobilization process and performance of the partner.

215.   The BBC(that the ESSA team interviewed) were unaware of several services e.g they did not know about the helpline toll free numbers and no grievance redress related information was ever provided to the beneficiaries. Meeting registers were viewed and it was noted that even when the BBC met, concrete and substantive agendas, targets, solutions for future meetings could not be formed. Oversight over the role of mobilizing agency is, thus, critical for BISP.

Partnerships with the Banks

216.   The Government is dealing with several Banks but primarily UBL, HBL, Al Falah, Summit and Taraqi

Banks. The contracts signed with these banks must have certain elements that clearly define bank's access and interaction with the beneficiary. BISP's local staff vocalized a few reservations and these are as follows:

- By sending replacement BDCs to faraway disbursement points, Banks provide operational space for the middlemen.
- Bank's verification phone calls are incomprehensible to BISP beneficiaries who either fail to arrive on time for the phone call, or have trouble understanding the language or accent, or at times are so naïve that they get confused on the phone. Calls need to be in simple language and operators need to be trained to deal with the beneficiaries.
- Banks deal with a certain client–and although they know BISP is here to stay–their attitudes towards beneficiaries is often demeaning. Not only this, bank managers also had disregard for BISP ADs and their project related requests,which they conveniently ignored.
- Regardless of the fact that they have agreed to provide services to the Government – banks do not allocate ATM machines for BISP beneficiaries. A few local branches are even guilty of asking their guards to pull down shutters and close the bank when spotting BISP beneficiaries arriving as groups.
- Fraud and corruption occur around banks, for example late night ATM usage on hundreds of BDCs. Banks continue to ignore such awkward and unusual activity. Guards misguide BISP beneficiaries; allow or partner with the middlemen; permit men to withdraw on behalf of women – yet banks do not stop, or keep a check or monitor their own employees.

The ESSA notes that POS under NSPP will replace the role of banks in making payments to beneficiaries.

VI: COMPARATIVE ANALYSIS OF BORROWER SYSTEMS AND BANK POLICY CORE PRINCIPLES

A. Introduction

217.   This section provides an assessment of the extent to which the applicable systems are consistent with the core principles and key planning elements expressed in the Bank policy on PforR (OP 9.0). It also provides a review of aspects where gaps exist between the two.

218.   The details of the comparative analysis are included below and a detailed matrix of findings and recommendations is attached in Annex-XII at the end of this report.

B. Core Principle 1:

219.   **Environmental and social management procedures and processes are designed to (a) avoid, minimize, or mitigate against adverse impacts; (b) promote environmental and social sustainability in program design; and (c) promote informed decision making relating to a program's environmental and social effects.**

220.   **1.1 Bank program procedures are backed by an adequate legal framework and regulatory authority to guide environmental and social impact assessments at the programmatic level.**

221.   The current legal system of Pakistan supports the environment and social assessments of projects as a component of the EIA. The main act related to the environmental and social assessment at federal level is PEPA 1997 which is a fairly comprehensive legislation and provides a legislative framework for protection, conservation, rehabilitation and improvement of the environment. Pakistan National Social Protection Program is a pro-poor program designed to benefit people living below a certain threshold of poverty as defined by PMT. This program does not involve any construction or other land-based activities. PEPA 1997 (amended 2012) will, therefore, not be applicable to this program.

222.   Other relevant document for the project is the BISP Act, 2010 and Operation Manual of the program.

223.   BISP Act, 2010 and Operation Manual of the project does not explicitly require social assessment of the program. However, a social screening of the beneficiaries was conducted during the poverty survey already done and planned to be updated in the near future. This assessment defines the baselines for the selection of beneficiaries using PMT, utilizing the results of poverty survey. However, BISP would benefit from a guiding document on multiple vulnerabilities faced by beneficiaries in accessing cash grants to frame the design of its interventions. BISP would also benefit from a guidance framework to enable specific assessment of IP.

224.   **1.2. Incorporate recognized elements of environmental and social assessment good practice, including the following:**

1.2a Early screening of potential effects

225.   This part of core principle will not be applicable to this program.

1.2b Consideration of strategic, technical, and site alternatives (including the 'no action' alternative)

226.   This part of core principle will not be applicable to this program.

1.2c Explicit assessment of potential induced, cumulative, and trans-boundary impacts

227.   This part of core principle will not be applicable to this program.

1.2d Identification of measures to mitigate adverse environmental or social impacts that cannot be otherwise avoided or minimized

228.   This part of core principle will not be applicable to this program.

1.2e Clear articulation of institutional responsibilities and resources to support implementation of plans

229.   The institutional responsibilities and resources are clearly defined in the BISP Act 2010 and in the Operation Manual of the Project. The Act describes the governance of the program through BISP Council, BISP Board, BISP Management and other institutional setup.

230.   BISP is dedicated to fight poverty by employing multiple social protection instruments designed to bring a sustainable positive change in the lives of persistently excluded and deprived families. BISP has five (5) implementation levels:

- **Policy Level**: Represented by the BISP Council and the BISP Board;
- **National Level**: BISP Headquarters executes operations at the national level;
- **Provincial Level**: 6 Provincial/Regional Offices ensure the implementation of the Program in all provinces;
- **Divisional Level**: Over 30 Divisional Offices; and
- **TehsilLevel**: More than 400 Tehsil Offices are in charge of the field work and maintain direct contacts with beneficiaries (receiver women).

231.   A capacity assessment is being undertaken during this program. Based on this capacity assessment, staff should be allocatedto minimize the problems faced by beneficiaries, especially vulnerable groups for smooth implementation of the program (especially at tehsil level). Intra- and Inter-departmental communication and information sharing should be improved. Working conditions should also be improved with appropriate logistics and facilities and better job security in BISP.Also, staff skills on key issues need to be built.

232.   A Social Engagement Unit should be created, at federal and provincial level in each province and embedded in the institutional arrangements of BISP. The specific mandate of this unit will be to reach out to oversee the social mobilization process, engagement with vulnerable groups and IPs (if present in that province), carry out meaningful consultation, sharing information, provide facilitation to these groups, guide community level trainings of these groups with the help of other relevant staff and other related tasks.

1.2f Responsiveness and accountability through stakeholder consultation, timely dissemination of program information, and through responsive grievance redress measures

233.   The system defines the requirements of the PICs in Chapter-7 of the Operation Manual of the Programand gives an overview of the contents and means for the massive PIC during the national roll out of BISP-SN. It also describes the permanently on-going information campaign during the implementation of BISP-SN.

234.   During the field surveys, mechanism of PIC and consultations were discussed with key informants including field level BISP staff, and at some places the mobilizing agency. A major concern is regarding a lack of consultation and information sharing within BISP. The information flow between the Headquarters in Islamabad and the field offices must be improved. The field staff is not informed about planned activities in a timely manner and their views and opinions are not provided due consideration at the time of policy and strategy formation.

235.   The information about different aspects of BISP is being disseminated through newspapers, posters displayed and other means (Annex-XIII). A help line has also been operationalized in the office and the same information was shared through the newspaper (Annex-XIV). They are facilitated for registration.

236.   Field Supervisor is mandated to maintain a contact between communities and BISP. They usually utilize the committees at the Union Council level including the notables, MPAs, elderly people, LHVs, councilors, etcfor facilitation in PIC.

237.   BISP can improve stakeholder and public consultation to make the process more inclusive of vulnerable groups and IP. For this Purpose, SOPs should be developed by BISP which can be made part of the OM. These guidelines will be followed for planning and conducting meaningful consultation during all phases of the program.

238.   Although BISP OM provides framework for carrying out PIC but during the ESSA field surveys, its implementation is reported to be inneed for improvement. This should be improved especially for vulnerable groups and IP with the help of Social Engagement Units proposed above.

239.   Lack of timely information sharing with the primary stakeholders i.e. the beneficiary women, and lack of awareness raising campaigns may allow anxiety, distrust and rent-seeking to emerge. BISP field staff suspect that while they remain busy in offices, the middlemen manage to have easy access to beneficiaries and spread among them all sorts of rumors and misinformation. Improved mobilization will reduce the power of the middle man as communities will be able to devise practical solutions to mobility and other issues.

240.   GRM is defined in Chapter 5 of BISP's Operation Manual. Case Management and Customer Services covers the handling of information updates for receiver women, handling of appeals and complaints on issues related to targeting, payment and quality of service and protocols to address specific situations.

241.   There are four ways to launch a complaint. The beneficiary (or would be beneficiary) has a choice, for each type of case, to submit: a) fill a form in person at BISP tehsil office or temporary information center; b) launch complaint through telephone; c) via internet; or d) by surface mail. The requesting woman has to submit her CNIC number in all cases. They are expected to know their targeting form number or a CNIC number of their household member. Once the complaint is lodged through GRM, it is recorded into one of the eight predefined categories along with other personal details. Table 6.1 shows the eight predefined categories and their number during last two years (01-Jul-14 to 30-Jun16).

242.   The ESSA team gathered information in order to understand if GRM is user-friendly and whether it provides responsiveness, efficiency, effectiveness, transparency, accountability within the system. The focus was on understanding the existing system and through beneficiaries and BISP field staff identifying the strengths and shortcomings of the system, from both non-technical and technical perspective. Beneficiaries were interviewed to assess the level of client satisfaction or dissatisfaction. Some issues are highlighted below.

Table 6.1 Distribution of Nature of Grievances

Grievance	Number	Percentage
Discrepancy in CNIC	339,835	75.4
Ineligibility appeal	107,282	23.8
Missed out households complaints	1,592	0.4
Household suspension form	1,234	0.3
Receiver women update form(address change)	668	0.1
Death/ refusal form	265	0.1
Re-entering form	9	0.002
Quality of service	5	0.001
Total	450,890	100.0

Source: BISP, Data from 01-Jul-2014 to 30-Jun-2016

243.   The single largest grievance of BISP beneficiaries (or would be beneficiaries) is related to the "discrepancy in CNIC card". The data from July 2014 to June 2016 shows that 75 percent of grievance cases fall into this category. Obtaining CNIC from NADRA is a mandatory condition for beneficiary enrolment, once a woman is identified through her family's poverty score. The second category of appeals are launched by women who perceive that they are also eligible for BISP benefit and wish to challenge their ineligibility for BISP benefit. This comprises the second largest category (24 Percent). The other six categories, altogether, contribute less than 1 percent of the lodged cases in the GRM.

244.   Table 6.2, below, highlights status of lodged appeals and grievances for each category. The complaints related to household suspension have highest acceptance rate (97 percent). Among those who put a case for correcting the discrepancy in CNIC, the major workload of GRM system, 81 percent get a resolution.

245.   Women who have tried to contest their ineligibility status have faced the highest rate of rejection. In the last two years 46 percent of the 107,282 cases lodged were rejected. Officials report that in most of the cases the complainant does not know the criteria for inclusion and thus face rejection of their appeal. The second

highest rejection rate is among those who report a discrepancy in CNIC (11 percent). In terms of absolute number, these cases amount to 37,722.

246.   Nearly 87,000 cases got rejected through GRM. The overall picture of acceptance, rejection and pending GRM cases is shown in Figure 6.1.

Table 6.2: Percentage Distribution of Processing Stage by Type of Grievance

Grievance	Pending	Accepted	Rejected	Total Lodged	
	%	%	%	%	N
Discrepancy in CNIC	7.6	81.3	11.1	100.0	339,835
Ineligibility appeal	5.0	49.1	45.9	100.0	107,282
Missed out households complaints	0.0	100.0	0.0	100.0	1,592
Household suspension form	2.7	97.3	0.0	100.0	1,234
Receiver women update form(address change)	20.7	69.8	9.6	100.0	668
Death/ refusal form	24.5	74.3	1.1	100.0	265
Re-entering form	100.0	0.0	0.0	100.0	9
Quality of service	0.0	100.0	0.0	100.0	5
Total	**7.0**	**73.7**	**19.3**	**100.0**	**450,890**

Source: BISP, Data from 01-Jul-2014 to 30-Jun-2016

Figure 6.1: GRM Cases Accepted, Rejected and Pending
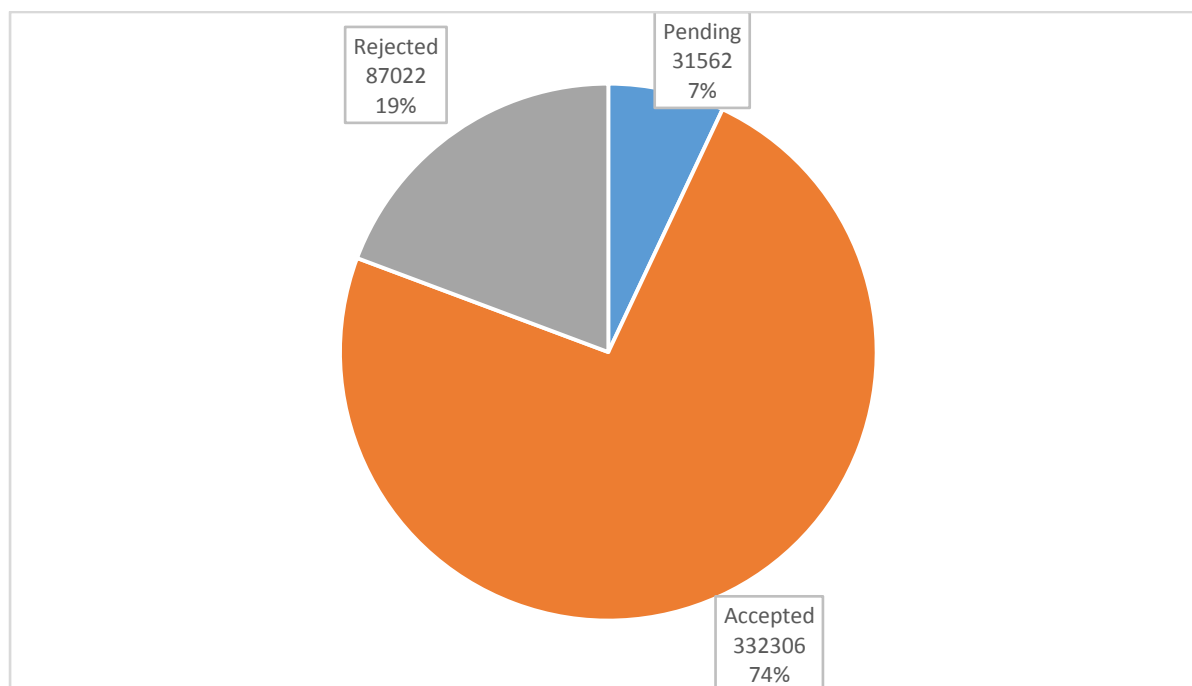
247.   BISP's Case Management System has standard letters, including specific details to inform the women about action taken to resolve or reject their case. The reason for rejection are explained in the rejection letter and future actions are communicated in case of acceptance. Time to resolve cases, once the case decision is taken and the concern staff, entity of payment agency is notified is given as under:

- Duplicated CNIC: women given six months to provide complete data, otherwise she will be withdrawn from process.
- Pending Receiver Women information update: women given six months to provide complete data, otherwise she will be withdrawn from process.
- Payment not received: 8 days
- Partial Payment: 8 days.
- Receiver Women have not received two consecutive payments: 15 days
- Information updates: 7 days
- Reentering the program: 7 days
- Ineligible Receiver Women: No specific timelines. The women can come any time and provide correct status.
- Quality of Services: 2 months

248.   Qualitative data findings conducted under the ESSA include case studies of such internally displaced persons and/or nomadic, mobile populations who have trouble in overturning household suspension. Quantitative data findings do not synchronize with this and show that complaints related to household suspension have highest acceptance rate (97 percent) in the Case Management System.

249.   Qualitative findings indicate that many women have not received payments and or have had trouble getting pending payments re-credited to their accounts. Their grievances may date back to several months to a year and a half. According to standard procedures, BISP's grievance redress should be completed within eight days in cases where payment has not been received; eight days where the issues is that of partial payment and; fifteen days where the beneficiary has not received two consecutive payments

250.   In any case, beneficiary's lack of awareness regarding GRM is a serious issue. According to Mott Macdonald's Spot Checks and Beneficiary Feedback report *"52% of the respondents said that they did not know where to register a complaint"*.In the past, mobilizing agencies have overlooked the need to inform beneficiaries about the method and significance of proper complaint registration. Delays about grievance registration and redress must be addressed and the process must be made truly inclusive.

251.   BISP would benefit from an assessment of its GRM process and procedure. On the beneficiary side, it must continue conductinguser satisfaction surveys to understand what problems are faced in accessing the system and how to make the process more user-friendly.

B. Core Principle 2

252.   **Environmental and social management procedures and processes are designed to avoid, minimize, and mitigate against adverse effects on natural habitats and Physical Cultural Resources (PCR) resulting from the program.**

253.   This core principle is not applicable as there are no physical works that can impact PCRs.

C. Core Principle 3

254.   **Program procedures ensure adequate measures to protect public and worker safety against the potential risks associated with (a) construction and/or operations of facilities or other operational practices developed or promoted under the program and (b) exposure to toxic chemicals, hazardous wastes, and otherwise dangerous materials.**

255.   This core principle is not applicable.

D. Core Principle 4

256.   **Land acquisition and loss of access to natural resources are managed in a way that avoids or minimizes displacement, and affected people are assisted in improving, or at least restoring, their livelihoods and living standards.**

257.   This core principal is not applicable as there are physical works which may involve land acquisition. NSPP will not finance any land acquisition for BISP offices.

E. Core Principle 5

258. **Due consideration is given to cultural appropriateness of, and equitable access to, program benefits, giving special attention to rights and interests of indigenous peoples and to the needs or concerns of vulnerable groups.**

5(a) Undertakes free, prior, and informed consultations if indigenous peoples are potentially affected (positively or negatively) to determine whether there is broad community support for the program

259. The Bank has a clear definition of indigenous peoplesaccording to which indigenous peoples are only found in KalashValley in Chitralwhich is included in the Program's area of coverage.

260. The PICs are designed to increase the awareness on the BISP-SN, its target group, benefits and main features. It is also envisaged to promote public understanding for the Targeting survey and to encourage the participation of the population in the survey. The ongoing campaign is designed to target different audiences, among which the most important are:

- Specific groups of the society such as existing beneficiaries and poor segments of the population that might be interested in participating in the Program;
- Stakeholders of the program like GoP and its various entities; other stakeholders such as NADRA, DEOs, POs and Payment Agency; and
- Other organizations or persons interested in BISP like international organizations, potential donors and media.

261. The design of PICs is targeted to ensure non-discriminatory participation of the poor in the program. However, the design does not include any specific SOP to ensure inclusion of the indigenous people in the PICs. BISP needs to improve stakeholder and public consultation to make the process more inclusive of vulnerable groups and IP. For this Purpose, SOPs will be developed by BISP which will be made part of the OM.

5(b) Ensures that indigenous peoples can participate in devising opportunities to benefit from exploitation of customary resources or indigenous knowledge, the latter (indigenous knowledge) to include the consent of the indigenous peoples.

262. Although the program has non-discriminatory nature, it does not ensure inclusivity of indigenous groups nor does it adopt any specific measures to reach out to the most of them during the design of the program.There is no clear reference and guidelines related to the vulnerable people in BISP Act and OM.

263. The World Bank classifies the Kalash or Kalasha –a non-Muslim ethnic group, as IP. The Kalash (Chitral district) inhabit three valleys, namely: Birir, Rumbur and Bumburet located at a distance of 34, 32 and 36 Kms respectively from Chitral city. Among these communities, BirirKalash are the most traditional in terms of observing and leading their lives according to ancient Kalash traditions. Although they had a sizeable presence before the twentieth century, the Kalash population has consistently and periodically decreased over the last few decades. At present, more than half of the total Kalash-speaking populationconsist of Sheikhs, or those accepting Islam. Kalash women as IP are estimated to be around 2,500.

264. The culture of Kalash people is unique and very distinct from the various ethnic groups surrounding them (Pictures attached in Annex). They are polytheists and nature plays a highly significant and spiritual role in their daily life. As part of their religious tradition, sacrifices are offered and festivals held to give thanks for the abundannce in nature for their three valleys. Kalash have a subsistence economy and engage in barter trade. Their assets e.g. trees and livestock are communally owned and individuals take care of them.

265. The ESSA team provided specialized attention and took particular interest in visiting the three Kalash valleys in Chitral; meeting and intermingling with the Kalash people and gathering information from them about their cultural traditions and values – all with the objective to understand how BISP could be made more relevant and useful for the IP who have special rights. ESSA field missions and stakeholder consultations reveal that the Kalash have a peculiar and distinct understanding of poverty that does not always coincide with the mainstream definitions that place emphasis on household access to/ownership of income or assets.The Kalashcommunally own livestock as well as mountain lodges that they have inherited from their ancestors. Among the Kalash, day to day expense is mostly borne through interpersonal loans, barter of goods and services ormenial labor.

266.   According to Kalash tradition, livestock is dedicated to kinship and community ties, ritual sacrifice and other cultural observances. Therefore, their assets have a transient quality and are neither permanent nor a source of regular income.

267.   Very few IP (reportedly around 3 to 4%) are BISP beneficiaries and majority were left outside the scope due to high PMT scores. Field evidence during the ESSA field survey showed that poverty conditions in these valleys are extreme. During the previous poverty score card survey (2010), communication problems between survey teams and IP communities resulted in issues related to survey result interpretation of Kalash assets as some regular sources of income (when in reality this is/was not the case) led to the exclusion of several otherwise poor household in the valley. Women also reported collective community assets as individual belongings which also resulted in the higher PMT scores. Kalash community is closely knit and does not have clear dividing lines in relations and neighbors and their overall attitude is to stay thankful rather than ungrateful. As per their social norm they do not show themselves as miserable–but focus on being happy, generating positivity in line with their cultural beliefs.

268.   Regarding poverty score survey 2010, the Kalash community and key stakeholdersin Chitralquestioned the survey methodology. Language was their prime concern as they felt enumerators often could not communicate effectively in their unique language. There is a large group of non-beneficiaries in the three valleys. This group includes several vulnerable women; a few widows and disabled women. A consultation was conducted with the vulnerable non-beneficiaries in Rumbur valley as described in Box-1[34].

Box-1: The Non Beneficiary Kalash Widows of Rumbur Valley, Chitral

1. *An elderly woman born in 1939 lives in Rumbur Valley, Chitral. She is a surviving widow who lives under extreme poverty conditions. She is physically weak and is entirely dependent on her two sons who are both married and responsible for their nuclear families. The two sons take turns in taking care of her and accordingly she moves from one portion of the house to the other.*

2. *A widow from Rumbur Valley, Chitral is 95 years old. Due to extreme old age she has become immobile. Her daughter-in-law represented her in the meeting and shared how her husband, the widow's son is serving his mother as a primary care giver. He himself has no regular means of income as being Kalash he, like the rest of the community, reserves his livestock for serving tribe ties and observing cultural festivals. The community estimated that on this woman's routine care, her son must be spending Rupee 8000-9000 per month.*

3. *Another widow and a non-beneficiary is living in extreme poverty. Here, it is pertinent to mention that among Kalash tribes day to day expense is mostly borne through interpersonal loans, menial labor or sale of an otherwise costly item (such as a walnut tree) for a cheap price. The Kalash can potentially earn money through livestock selling or by engaging in forest work, or through sale of handicrafts that Kalash women make. However, this is not the case as the Kalash culture does not encourage business around livestock (considered pure) or handicraft. Thus even if they seem to have assets, they do not sell them and only use them for religious sacrifice, not wealth generation.*

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269.   Kalash IP women adorn their own ancient cultural attire and unlike Muslim communities pardah is not understood as a piece of cloth. On the other hand, women do not travel unaccompanied but always with a male relative. This norm is followed even for visiting BISP office in Chitral or for withdrawing cash. There are some exceptions however as one Bumburet, Kalash woman explained that she travels to Chitral by herself and withdraws cash not only for herself but several other women who have difficulty in traveling.

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[34] Bibi Kai (CNIC # 15201-0564834-0); Shangrai (CNIC # 15201-7893156-2) Makineebibi (CNIC # 15201-0565663-6) Other Non-beneficiary Kalash Widows of Birir Valley, Chitral: Chust Nama (CNIC #15201-4217243-8); Wakhshi Nama (CNIC # 15201-2923415-0); Shia BiBi (CNIC # 15201-7941458-2); SwalBiBi (CNIC # 15201-9658558-0); Muhat Gul (CNIC # 15201-4724678-4); Shamshad (CNIC # 15201-8793323-0); Gul Akhtar (CNIC # 15201-7030929-2); Bagoshi (CNIC # 15201-0573708-2); Mohbali (CNIC # 15201-0570362-2);SonaikBiBi (CNIC # 15201-1126711-4);VailiBiBi(CNIC # 15201-6680916-4)

270. Interestingly, men do not act as agents or middleman. Even if they help women withdraw cash – they do not charge them a fee that they find would be an insult to their manliness.

271. Beneficiaries requested multiple payment withdrawal options (ATM, Pakistan Post, POS machines). It was discussed with BISP office in Chitral that biometric payment option might not be suitable for the disabled and old women due to their mobility limitations.

5(c) Gives attention to groups vulnerable to hardship or disadvantage, including, as relevant, the poor, the disabled, women and children, the elderly, or marginalized ethnic groups. If necessary, special measures are taken to promote equitable access to program benefits.

272. There is no clear reference and guidelines related to IPs in BISP Act and OM. BISP lacks a clear definition of vulnerability especially in relation to IPs and needs to elaborate its own institutional learning and understanding of concepts, such as, vulnerability, poverty, marginalization, inclusivity, indigeneity, disaster and insecurity. However, the eligibility of families for participation in the program is determined on the basis of PMT score. The model includes 23 indicators that fall under the following broad categories:

- Household and individual characteristics;
- Ownership of durable goods and housing characteristics; and
- Ownership of productive assets, especially land holding, livestock and farm equipment.

273. The above indicators are strongly related to the poverty status of any family and thus represent an indirect relationship with the vulnerable groups.

274. The provisions of the program are non-discriminatory and no significant aspects of the program leads to discrimination against minorities, ethnicities, disabled, etc. As already mentioned, the program also does not ensure inclusivity of vulnerable groups (e.g. IPs, displaced people, disaster-affected people, transgenders).

275. Under NSPP, BISP aims to improve stakeholder and public consultation to make the process more inclusive of vulnerable groups. For this purpose, SOPs need to be developed by BISP which should be made part of the OM. These guidelines need to be followed for planning and conducting meaningful consultation during all phases of the program.

F. Core Principle 6

276. **Avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes.**

277. Initial risk screening analysed political conflict and conflict from ineligible people but found that both potential sources of conflict are non-existant. BISP has enjoyed political support from successive governments over its implementation. Further, conflict from non-recipients towards BISP beneficiaries was not supported by field evidence. While there may be complaints by individuals who deem themselves to be eligible, this does not translate into hostility towards those actually receiving grants.Although the program does not create social conflict, the infrastructure, and shortage of BISP staff does cause implementation failures of such magnitude that tensions may arise. BISP staff does not have the capacity or institutional cover, safeguards to handle large crowds.

VII: STAKEHOLDER CONSULTATIONS

278. Stakeholder consultations were an integral part of the ESSA process. This section of the ESSA highlights the views received through a Consultation Workshop on ESSA that took place on 25th November 2016. The feedback received at the Workshop is presented below.

279. Regarding the upcoming NSER update, participants were appreciative that this is being implemented. They stated that according to Mott Macdonald (Pakistan), survey willingness to accept door to door approach is 83% while for desk approaches it is 73%. However, doortodoor registration methodology has its shortcomings. At times the target group, particularly in case of fishing communities, drivers and laborers are not available at home during the day when the survey is conducted. Elite capture can also be an issue during the door to door approach as the forms are filled usually in drawing rooms locally called "Baithak".

280. The element of "shame" in being identified as "poor" cannot be ignored. PPAF organized community consultations and meetings to discuss various possibilities to pull poor out of poverty especially those who have been receiving cash grant from BISP for a long time. Some "Safaidposh" (those who do not wish to reveal their poverty and live under a garb of "respectability") community members refused to come to those meetings because it would disclose to everyone that they are recipients of BISP cash grant.

281. On the new payment model through POS, it was stated that biometric verification is likely to lead to positive results. However, given the vulnerabilities of women, it is not likely to lead toelimination of rent-seeking and exploitation as the middle-men will devise means of operation in the new systems. Also, it is culturally insensitive that POS staff (largely male) holds women's hand/thumb to take the biometric imprint. For the staff–the aim is to quickly get this done. They hold the client's thumb to guide her to place it properly on the machine. However, in the process, women feel uncomfortable and have reported this to Mott Macdonald survey teams.

282. Participants also spoke about the lack of eligibility of unmarried women. Women who are old and never married are not eligible for the grant. Also, unmarried status for women often overlaps with disability.Further, it is unclear if transgender people qualify for the cash grant.

283. In social mobilization, the primary issue is that of sustainability. BISP has limited capacity and number of BBCs is very large, almost 8000 BBCs in Rahim Yar Khan. These BBCs have only been provided orientation trainings and it is almost impossible for BISP to invest time, energy, resources to keep these BBCs operational. Originally, BBCs were conceptualized as a self-sustaining institution. However, we do not see this happening and BISP needs to ensure that BBC's are functionalized in a way that they self-sustain. This is crucial and critical to the success of social mobilization. Communities should also be participating in the M&E of the program. According to the official documents, BBC members should be elected. However, on ground we find that the implementation partners mostly select them. Also chances are that some level of elite capture is involved in BBC formation.

284. Communication is an important component in BISP'swork. Communication and coordination (both internal between BISP and external) needs to improve within BISP and between BISP and its beneficiaries. This is important so that BISP beneficiaries do not fall prey to elements of exploitation existing around them. Access to information should be made easier. A huge number of beneficiaries are illiterate, so communication techniques should be selected according to their needs such as use of photographs to convey message (should not use cartoons). It is very useful that BISP makes information available on its website. However, all that information is in English. BISP should translate documents into Urdu and regional languages, e.g. its major plans, strategies, projects, other documentation, mainly news/any updates, etc. so that people at the local community level can read it and become aware of BISP and its initiative.

285. Complementary services are very important for developing capacities of the beneficiaries and making them independent. BISP should facilitate these services to enable people to break free of poverty rather than make them dependent, always hoping to receive money.

286. There should be a Citizen's Charter produced by BISP that outlines what is acceptable and unacceptable, expected and not expected, etc. when it comes to Beneficiary and BISP staff interaction.

287. BISP is a huge program and it is important to see how it has affected intra-household dynamics. Has it empowered women because they receive cash or has it made them vulnerable with men forcibly taking away

BDC and withdrawing cash and using it? We need to study the effect of this cash transfer within the household

Comments from BISP:

288.   The Director General (D.G.), BISP, promised to discuss all recommendations within BISP before implementing them.

289.   The D.G. accepted that the ESSA's suggestion on Kalash as Indigenous People is a new one and will be seriously considered.

290.   He stated that the overall impression of BISP is that those who do not deserve and are well-off are receiving BISP cash and those who deserve areexcluded. In order to deal with this issue, BISP announced that an official complaint can be filed against anyone who the community believes should not be receiving BISP cash grant. However, BISP has not received a single complaint and the overall inclusion and exclusion error remains unchanged. BISP is committed to reducing this error. But families within a community do not file complaints against each other. This is culture. They may feel and complain verbally – but not officially.

291.   BVS may fall prey to POS agents (BISP is considering a SIM option at the moment. The beneficiary will immediately receive a message about how much amount have they received.)

292.   BISP is fully committed to improving social mobilization.

293.   NSER update will result in more coverage (expecting 100%) and that will resolve issues reported by Balochistan province.

294.   Local government should certainly be involved more meaningfully and BISP will be doing this in future as it has been noticed that a proactive local government adds value to the program. Given that the administration cost is only 2%, it makes sense to partner more constructively with the local government and also engage them in social mobilization.

295.   BISP agreed that social mobilization need to be improved and several options are being considered e.g BISP undertakingthe mobilization itself or involving a partner to improve this process.

296.   Supply side factors issues are more problematic in Sindh and Balochistan. HR is a major issue in Balochistan and few people from other provincesare willing to go there. BISP is working to resolve these issues.

VIII: RECOMMENDATIONS AND PROPOSED ACTIONS

A. Introduction

297.   This section includes a summary of the key measures that need to be taken during implementation for social aspects. In a broader context, measures are recommended to help the Governmentimprove itssystem performance and recommendations and to address important gaps between the program's systems and the PforR core principles and key elements.

298.   The recommendations and proposed actions are described in detail below and underlined.

B. Recommendations and Proposed Actions

299.   **Policy Related Recommendations:**

- BISP needs to strengthen its policy specifically with respect to Vulnerability, IPs and Social Mobilization. BISP uses terms such as marginalized, vulnerable, poor, underprivileged, excluded, deprived and distressed interchangeably and needs to define them within its scope of work. While it includes some vulnerable population e.g. disabled, there are many types of vulnerabilities "on the ground" that prevent eligible women from accessing BISP grants. This will allow BISP and its partners to develop clarity regarding population priorities. Several government documents in the past and present have used Social Protection vocabulary. BISP can use these definitions as a startup kit and add to it its own experiences from the field level. For example, if the 'disaster affected' are counted as 'vulnerable',then BISP cancritically evaluate its own understanding of vulnerable groups with the ones prevailing in other public sector institutions (national and international). Ultimately, all this will allow BISP to add more clarity to its vision and implementation strategy (Annex-XV). <u>BISP should develop a policy document on Vulnerability.</u>
- BISP will most likely benefit from a guiding document on multiple vulnerabilities and forms of marginalization that are currently preventing several could-be beneficiaries from accessing cash grants. Such a document should inform all other manuals, guidelines and campaign documents that BISP uses. The ESSA document provides useful information in this regard and hopes that it will inspire BISP to take concrete policy and programmatic measures in this regard. <u>BISP would benefit from an assessment of "on the ground" vulnerabilities that impact beneficiaries access to cash grants and update this information periodically.</u>
- The IP in Kalash need special attention under BISP. There are two reasons for this – firstly, that the Kalash have a barter economy and communal ownership of assets that does not allow for a close match with the household asset ownership approach used by NSER and secondly because previously survey was not conducted by people who could speak local language. <u>BISP should conduct an assessment and see if the NSER is compatible with the culture of Kalash. Further, in the next round of NSER, only local people who can speak the Kalash language and have a good understanding of the area should be involved during surveys of IPs. Another option is to conduct a pilot of NSER update in Kalash Valleys (Birir, Rumbur, and Bumburet) to minimize the problems faced by the IP during the previous survey. In case, the NSER approach does not fit within the culture of Kalash, the ESSA encourages BISP to make a political decision that allows BISP registration of all IP women (according to an estimate, a mere 2,500) irrespective of poverty scores.</u>
- <u>NSPP needs to support social mobilization for BISP's core program across the country not just for WET related activities. BISP must lead and place emphasis on social mobilization as an overarching strategy for its core and complementary programs.</u>This should be the basis of engagement, trust building and information sharing and making processes easier for the beneficiaries. A clear policy and framework on objectives of social mobilization needs to be in place. Relevant manuals and guidelines reserve leadership role for BISP (in terms of designing and providing key mobilization, communication and training instruments, approving the partner firm's field activities, and leading coordination, implementation, and training activities). BISP must provide prime significance to developing very strong interaction with BBC – the social mobilization structures in the local sphere.

300.   **BISP's Institutional Strengthening:**<u>More human resource must be deputed at BISP field level so that the needs of BISP beneficiaries/vulnerable sections among women population can be addressed more efficiently and effectively.</u>Intra- and Inter- departmental communication and information sharing should be improved. This can be achieved through more regular interaction and creating systems for recording and channelizing feedback. The working conditions should also be improved with appropriate logistics and facilities and better job security.

301.   Given the fact that BISP beneficiaries are women, it is important for NSPP to increase women representation in BISP offices, wherever the circumstances permit, to support BISP's institutional strengthening. However, it is equally important to introduce clear infrastructure and personnel focused safety measures in order to provide a safe working environment to BISP women staff. If these issues are addressed, in the longer run this can pave way for successful implementation of complementary programs (subcomponent 1.5).Under institutional strengthening, NSPP must support BISP to manage security risks through developing protocols for ensuring safety of offices, staff and beneficiaries.Further, BISP offices must develop a standard specification for facilities – not only office equipment – such as toilets, waiting areas and water supply.

302.   ESSA field mission also discovered that in many BISP field offices there is no Social Mobilization Coordinator and BISP staff is not trained for community engagement, social mobilization and community development. It is recommended that new and relevant staff be hired and provided trainings. The reliance on the mobilization firm is not proportionateto the actual role and responsibilities envisaged for the firm. However this cannot be moderated unless BISP itself has the required human resource and capacity level to provide strategic guidance to the social mobilization process.

303.   **Development of Social Unit/ Social Engagement Team to Facilitate Vulnerable Groups and IP**: A Social Unit/ Social Engagement Team should be created, or an existing Unit mandated, at the federal and in each province and embedded in the institutional arrangements of BISP. The specific mandate of this Unit will be to reach out to develop a Policy and Strategy on Social Mobilization engagement with vulnerable groups and IP (if present in that province);develop and supervise mechanisms to undertake meaningful consultation; share information and provide facilitation to excluded groups to develop practical solutions to accessing the Program and limit rent-seeking;oversee community level trainings of these groups with the help of other relevant staff and execute other related tasks. The Social Unit/ Social Engagement Team should also undertake development of an institutional strategy and associated SOPs for consultation and information sharing with vulnerable groups and IPs. For this purpose, SOPs need to be developed by BISP which can be made part of the OM. These guidelines should be followed for planning and conducting meaningful consultation during all phases of the program.

304.   Social mobilization documents prepared for WeT include a process framework. ESSA is concerned that the process does not indicate *when*, *where* and *how* representation of vulnerable /indigenous groups (if applicable) will be ensured. Similarly, the process does not indicate any sensitive points where the process might slow down or fail. No alternative measures to prevent, mitigate or minimize any such risks are indicated. ESSA team recommends highlighting these aspects in any process frameworks that are made for BISP's core and complementary programs.

305.   **Improved Implementation of Public Information Campaigns:**Although BISP's OM provides framework for carrying out PIC but as per the ESSA field mission, PIC implementation needs strengthening. This should be improved through the Social Units already mentioned. In addition, PICs must place special focus on the vulnerable and disadvantaged section, such as guardians of children with learning and physical disabilities (in case of WeT).

306.   The PICs should also include the development of a Beneficiaries Charter and a Charter of Services outlining BISP's standards and services. This should be communicated widely through multiple means of communication.

307.   **Trainings and Capacity Building:**Implementation of training and capacity building of the stakeholders should be improved. These activities should be more focused to the need of stakeholders specially the BISP staff and communities. There is clear indication for preference with regards to developing skills for improved community engagement, and grassroots level communication.

308.   BISP needs to develop a safety and security protocol for its offices and staff and implement improved crowd management procedures in addition to related regulation and safety guidelines. BISP needs to ensure that it provides institutional support to its staff working in unsafe conditions. BISP offices must be made secure and safe. BISP must have a Crowd/Mass Management Rules and Regulation Manual and procedures. It is equally important to design and clearly display Safety Guidelines in BISP offices. A safety manual must address issues emerging out of terrorism. In Chitral – and locations near Afghanistan – this is direly needed. In the past, terrorists have targeted government institutions and BISP needs to place adequate provisions in place, particularly in insecure areas.

309.   **Efficient Design of GRM based on Beneficiary Feedback for Improved Service Delivery:**BISP would benefit from an assessment of its GRM process and procedure. On the beneficiary side, BISP must continue the practice of conducting user satisfaction surveys(as it has successfully done in earlier Impact Evaluation studies) to understand what problems are faced in accessing the system and how to make the process more user-friendly. On the supply side, improved information technology procedures may need to be implemented

310.   **Providing Realistic Registration and Service Delivery for Persons with Special Needs and Circumstances:** Although the percentage of biometric verification issues may remain relatively small, this is still a major cause of concern when the affected individuals are truly vulnerable and dispossessed. Technology alternatives, and/or more flexible bureaucratic processes are recommended where 'vulnerable-first' approach is declared and adopted.

Annex I: List of References

1.   Government of Pakistan (2012), Pakistan Environmental Protection Act

2.   Government of Pakistan (2010), Benazir Income Support Program, Operations Manual

3.   Government of Pakistan (2010), Benazir Income Support Program Act

4.   Government of Pakistan (2014), Benazir Income Support Program, Annex-I, Social Mobilization Manual

5.   Government of Pakistan (2012), Benazir Income Support Program, Waseela-e-Taleem (Primary Education Co-Responsibility Cash Transfer Programme) Social Mobilization Guidelines

6.   Government of Pakistan (2016), Ministry of Finance, Pakistan Economic Survey

7.   Government of Pakistan (2016), Finance Division, Poverty Reduction Strategy Paper II

8.   Government of Pakistan (2016), Benazir Income Support Program, NSER Data Collection Manual

Annex II: People Involved in the Assessment

No	LOCATION	BISP Staff	Beneficiaries (Widows, Household Head, Disabled or with such children, Elderly, Sick)			Non-beneficiaries	Mobilizing Agency
			W/HH	D	Other		
1	ISLAMABAD	BISP Officials					
	PUNJAB						
2	RAWALPINDI -DIVISIONAL OFFICE	Divisional Director AD WeT					
3	RAWALPINDI-PIRWIDHAI, Fouji Colony		3	2	17		District Coordination Officer WeT Social Organizer
4	RAWALPINDI-KOTLI SATTIAN, Village Parchan and Village Balawara Sharif		8	5	22		Social Organizer
5	PUNJA SAAB (religious minority)		1		3	42	
	KP						
6	HARIPUR-KP	AD-Haripur AD-Ghazi AC-Haripur AC-Ghazi NADRA-NSER enumerator UC Ali Khan	4		21		
	SINDH						
7	HYDERABAD – Qasimabad, Kohli community (religious minority)	AD-Qasimabad			16	5	
8	THATTA	AD-Thatta AD Mirpur Sakro AD Sujawal AC-Thatta Field Supervisor-Thatta			43		
9	MATIARI	AD- Hala AD-Matiari AC-Matiari AD-Saeedabad	9	2	11	3	
10	UMERKOT MIRPURKHAS	Divisional Director Mirpur Khas AD- Umerkot, Mithi AC-Umerkot Chowkidar	1	1	7	1	
11	**BALOCHISTAN**						
		DG Director, Quetta Division, BISP, Quetta Director, Initiation, Regional Office,	4	3	10	2	

		BISP, Quetta AD, Regional Office, BISP, Quetta FS, Quetta AC, Quetta		**71**			
12	**CHITRAL AND OTHER REGIONS (IP Group)**						
12		AD, Tehsil Office, BISP, Chitral AD, Tehsil Office, BISP, Mastuj FS, Chitral AC, Chitral	13	2	32	46	
*The disabled were represented by other members of the family as it was difficult for them to arrive at the meeting point							

Annex III: Methodology Toolkit

INTERVIEW QUESTIONNAIRE -1

Respondents: BISP/WeT Regional and Divisional Staff

These are guiding questions and field researchers may use these with flexibility as long as the key objectives and themes are considered.

Theme: Basic

1. What <u>institutional</u> risks are involved, or what challenges might emerge in the following:
    a. Updating NSER (Poverty Score Card),
    b. Service Delivery,
    c. Payment Mechanism,
    d. WeT and Complementary Program.
2. What <u>community-based</u> risks are involved, or what challenges might emerge in the following:
    a. Updating NSER (Poverty Score Card),
    b. Service Delivery
    c. Payment Mechanism
    d. WeT and Complementary Program.
    e. Working conditions – what difficulties does BISP field staff experience in terms of security, safety and conflict? (Request for data on any complaints ever made officially)
3. What measures are being introduced by BISP towards minimizing the identified risks?

Theme: Vulnerability and Inclusion

1. Please identify the nature of vulnerable groups and individuals in your geographical area.
    a. (Any data regarding how many female headed households as opposed to male headed households are in BISP database? Similarly how many widows, divorced, disabled, elderly etc. are availing BISP services?)
2. How does the project design ensure that vulnerable and disadvantaged groups/individuals have equitable access to the project?
3. What is the 'process' whereby which differentiated measures are being developed to address particular circumstances of such individuals or groups?
    a. Does incentive structure within program promote outreach measures to encourage equitable and affordable access to program benefits?
    b. What steps have been taken (or planned) to alleviate cultural, financial, or physical barriers that hamper participation of socially marginalized or disadvantaged groups (e.g., the poor, the disabled, children, the elderly, Indigenous Peoples, religious or ethnic minorities)?
4. Highlight the non-discriminatory aspects of the program and are there any aspects that may lead to discrimination against minorities, certain women or age groups, nomads, disabled etc. during the project cycle? If so – what needs to be done to avoid such a situation from arising?
5. WaseelaTaleem: DLI focuses on increasing enrollment. How is BISP staff meeting the specific needs and concerns of vulnerable and disadvantaged? Provide details.
6. How does it really benefit BISP beneficiaries if they are linked to complementary services? In what ways has this approach improved their life in practical sense?

Theme: Stakeholders' Engagement & Communication

1. How does the project design ensure maximum stakeholder engagement? How many consultations or open dialogues are arranged & how regularly/often? What will be the level of stakeholder participation and how is mutual accountability to be ensured?
2. What are the current practices of undertaking free, prior and informed consultations with stakeholders and vulnerable groups especially Indigenous People? What is the structure and process through which public feedback/views are received, and finally incorporated in the project design and delivery systems (BISP, WeT and complementary programs)?

a. (Guidelines to probe further: Is/Are public feedback/views used effectively and early enough to be considered in the design of new or changing Program activities? Does the current public feedback mechanism reach out to a representative cross-section of groups affected by the Program (including women, Indigenous People or other ethnic minorities, the poor or other groups who might otherwise be under-represented)?

3. How are any design/delivery changes communicated to the stakeholders?
4. Is it possible for one to freely express views and provide feedback to BISP? How? What process does one usually adopt? Does BISP pay heed to community feedback? If not – share experiences. Also share success stories where BISP has incorporated community concerns.
    a. (Guidelines to probe further: Do public feedback tools used by the program work effectively to elicit people's views especially those of marginalized people and IPs? Do consultation/public feedback processes promote communication and informed decision-making? Is the feedback mechanism structured in a manner that encourages an open exchange of views?)
5. What is the process for information disclosure?

Theme: Quality of Grievance Redress

1. What mechanisms (formal and informal) are currently in place for addressing concerns and grievances?
2. How effective and efficient is grievance redress mechanism in terms of responsiveness (Strengths/weaknesses of the system)
3. How <u>accessible</u> is GRM (geographically, technically) to women?
4. Does the current GRM meet good standards of <u>accountability</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
5. Does the current GRM meet good standards of <u>transparency</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
6. What is the extent of client satisfaction or dissatisfaction regarding GRM?

Theme: Overall Governance

1. What measures are in place for effective and efficient monitoring and evaluation? What is staff capacity in this regard?
2. Regarding financial management, what is the ordinary nature of fraud and corruption and how will BISP prevent this from happening?
3. BISP is entering into private partnerships with commercial banks and partnering with civil society organizations. In this regard what are the procedural and performance standards that are being observed? Are there any protocols that can be shared? *The Development outcomes planned with private partners should be consistent with ESSA and partnerships should not jeopardize sustainable development (WB's concern)
4. What complementary programs are under consideration? Are there any agreed standards for referral and monitoring mechanisms with service providers that are existing? Even if not, what is BISP's understanding that the primary features of such agreements will be?

Theme: Social Conflict

1. Does any aspect of this project threaten human security (personal, community, political, education, health etc)?
2. Can the project cause situations of social conflict, such as any escalation in personal, communal, inter-regional conflict? Give examples.
3. Does identification of BISP and WeT beneficiaries and their receipt of benefits lead to creation of conflict or exacerbation of existing social conflict especially in place where there is competition over resources?
4. Does identification of beneficiaries lead to social marginalization of beneficiaries especially in the case of vulnerable people and IPs?
    a. Have there ever been any cases where beneficiaries were stigmatized by their own communities for surviving on government aid etc?
5. Can the project lead to crime or violence? What are or may be the forms?
6. Is BISP staff equipped to handle these conflicts? How does it currently deal with local conflicts situations and contestations? How safe or unsafe is the staff in field that deals with beneficiaries and non-beneficiaries?

7. Does the project have any impact on the health, safety and wellbeing of BISP staff or project communities? Provide details.
8. Districts implementing WeT are expanding in number. What specific strategies has BISP drafted to function successfully in conflict areas, in particular?
9. What specific strategies has BISP drafted to ensure representation of displaced/ mobile families? (*These families could be displaced due to man-made or natural disaster, or even due to their own nomadic traditions)

INTERVIEW QUESTIONNAIRE -2

Respondents: BISP/WeT Tehsil and Field Staff

These are guiding questions and field researchers may use these with flexibility as long as the key objectives and themes are considered.

Theme: Basic

1. What <u>institutional</u> risks are involved, or what challenges might emerge in the following:
   a. Updating NSER (Poverty Score Card),
   b. Service Delivery,
   c. Payment Mechanism,
      d. WeT and Complementary Program.
2. What <u>community-based</u> risks are involved, or what challenges might emerge in the following:
   a. Updating NSER (Poverty Score Card),
   b. Service Delivery
   c. Payment Mechanism
   d. WeT and Complementary Program.
   e. Working conditions – what difficulties does BISP field staff experience in terms of security, safety and conflict? (Request for data on any complaints ever made officially)
3. What measures are being introduced by BISP towards minimizing the identified risks?

Theme: Accessibility

1. How easy or difficult it is to access BISP facilities? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
2. How easy or difficult it is to use payment mechanism? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
      a. Any concerns regarding the new changes – biometrics
3. How easy or difficult it is to participate in WeT and other complementary services? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
4. How does it really benefit BISP beneficiaries if they are linked to complementary services? In what ways has this approach improved their life in practical sense? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.

Theme: Vulnerability and Inclusion

1. Please identify the nature of vulnerable groups and individuals in your geographical area.
   a. *(Any data regarding how many female headed households as opposed to male headed households are in BISP database? Similarly how many widows, divorced, disabled, elderly etc are availing BISP services?)*
2. How does the project design ensure that vulnerable and disadvantaged groups/individuals have equitable access to the project?
3. What is the 'process' whereby which differentiated measures are being developed to address particular circumstances of such individuals or groups?
      a. Does incentive structure within program promote outreach measures to encourage equitable and affordable access to program benefits?
      b. What steps have been taken (or planned) to alleviate cultural, financial, or physical barriers that hamper participation of socially marginalized or disadvantaged groups (e.g., the poor, the disabled, children, the elderly, Indigenous Peoples, religious or ethnic minorities)?
4. Highlight the non-discriminatory aspects of the program and are there any aspects that may lead to discrimination against minorities, certain women or age groups, nomads, disabled etc. during the project cycle? If so – what needs to be done to avoid such a situation from arising?
5. *WaseelaTaleem:* DLI focuses on increasing enrollment. How is BISP staff meeting the specific needs and concerns of vulnerable and disadvantaged? Provide details.

Theme: Stakeholder's Engagement & Communication

1. BBC: How have or will these be formed (i.e. the guidelines, eligibility, and encouragement note for inviting participation from vulnerable groups)?
2. What are the core functions? And how meaningful are BBC? Would BBC only be focusing on WeT or other functions too?
3. How does the project design ensure maximum stakeholder engagement? How many consultations or open dialogues are arranged & how regularly/often? What will be the level of stakeholder participation and how is mutual accountability to be ensured?
4. What are the current practices of undertaking free, prior and informed consultations with stakeholders and vulnerable groups especially Indigenous People? What is the structure and process through which public feedback/views are received, and finally incorporated in the project design and delivery systems (BISP, WeT and complementary programs)?
    a. *(Guidelines to probe further: Is/Are public feedback/views used effectively and early enough to be considered in the design of new or changing Program activities? Does the current public feedback mechanism reach out to a representative cross-section of groups affected by the Program (including women, Indigenous People or other ethnic minorities, the poor or other groups who might otherwise be under-represented)?*
5. How are any design/delivery changes communicated to the stakeholders?
6. Is it possible for one to freely express views and provide feedback to BISP? How? What process does one usually adopt? Does BISP pay heed to community feedback? If not – share experiences. Also share success stories where BISP has incorporated community concerns.
    a. (Guidelines to probe further: Do public feedback tools used by the program work effectively to elicit people's views especially those of marginalized people and IPs? Do consultation/public feedback processes promote communication and informed decision-making? Is the feedback mechanism structured in a manner that encourages an open exchange of views?)
7. What is the process for information disclosure?

Theme: Quality of Grievance Redress

1. What mechanisms (formal and informal) are currently in place for addressing concerns and grievances?
2. How effective and efficient is grievance redress mechanism in terms of responsiveness (Strengths/weaknesses of the system)
3. How <u>accessible</u> is GRM (geographically, technically) to women?
4. Does the current GRM meet good standards of <u>accountability</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
5. Does the current GRM meet good standards of <u>transparency</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
6. What measures are in place for effective and efficient monitoring and evaluation? What is staff capacity in this regard?
7. Regarding financial management, what is the ordinary nature of fraud and corruption and how will BISP prevent this from happening?
8. How easy or difficult it is to avail GRM facility. Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
9. What is the extent of client satisfaction or dissatisfaction regarding GRM?

Theme: Social Conflict

i. Does any aspect of this project threaten human security (personal, community, political, education, health etc)?
ii. Can the project cause situations of social conflict, such as any escalation in personal, communal, inter-regional conflict? Give examples.
iii. Does identification of BISP and WeT beneficiaries and their receipt of benefits lead to creation of conflict or exacerbation of existing social conflict especially in place where there is competition over resources?
iv. Does identification of beneficiaries lead to social marginalization of beneficiaries especially in the case of vulnerable people and IPs?

<ol type="i" start="5">
Have there ever been any cases where beneficiaries were stigmatized by their own communities for surviving on government aid etc?
Can the project lead to crime or violence? What are or may be the forms?
Is BISP staff equipped to handle these conflicts? How does it currently deal with local conflicts situations and contestations? How safe or unsafe is the staff in field that deals with beneficiaries and non-beneficiaries?
Does the project have any impact on the health, safety and wellbeing of BISP staff or project communities? Provide details.
Districts implementing WeT are expanding in number. What specific strategies has BISP drafted to function successfully in conflict areas, in particular?
What specific strategies has BISP drafted to ensure representation of displaced/ mobile families? (*These families could be displaced due to man-made or natural disaster, or even due to their own nomadic traditions)

INTERVIEW QUESTIONNAIRE -3

Respondents: Beneficiaries (including Beneficiaries participating in other complementary programs)

These are guiding questions and field researchers may use these with flexibility as long as the key objectives and themes are considered.

Theme: Accessibility

1. How easy or difficult it is to access BISP facilities? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
2. How easy or difficult it is to use payment mechanism? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
   a. Any concerns regarding the new changes – biometrics
3. How easy or difficult it is to participate in WeT and other complementary services? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
4. How does it really benefit BISP beneficiaries if they are linked to complementary services? In what ways has this approach improved their life in practical sense? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.

Theme: Vulnerability and Inclusion

1. Please identify the nature of vulnerable groups and individuals in your geographical area. In your opinion how much is BISP able to focus on vulnerable groups.
2. Are you aware of any cases where BISP staff has categorically tried to meet specific needs and concerns of vulnerable and disadvantaged? Provide details.

Theme: Stakeholder's Engagement & Communication

1. How many consultations or open dialogues are arranged & how regularly/often? What is the level of stakeholder participation?
   a. (Probe if timely consultations with stakeholders and vulnerable groups especially Indigenous People takes place prior to introducing changes or not)
2. What is the structure and process through which beneficiaries provide feedback and opinions to BISP? Does BISP incorporate beneficiary feedback or not?
3. How do beneficiaries discover about any project design/delivery mechanism changes?
4. Is it possible for one to freely express views and provide feedback to BISP? How? What process does one usually adopt? Does BISP pay heed to community feedback? If not – share experiences. Also share success stories where BISP has incorporated community concerns.
   a. (Guidelines to probe further: Do public feedback tools used by the program work effectively to elicit people's views especially those of marginalized people and IPs? Do consultation/public feedback processes promote communication and informed decision-making? Is the feedback mechanism structured in a manner that encourages an open exchange of views?)

Theme: Quality of Grievance Redress

1. What mechanisms (formal and informal) are currently in place for addressing concerns and grievances?
2. How effective and efficient is grievance redress mechanism in terms of responsiveness (Strengths/weaknesses of the system)
3. How easy or difficult it is to avail GRM facility. Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
4. What is the extent of client satisfaction or dissatisfaction regarding GRM?
5. How accessible is GRM (geographically, technically) to women?
6. Does the current GRM meet good standards of accountability? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
7. Does the current GRM meet good standards of transparency? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.

8. Regarding financial management, what is the ordinary nature of fraud and corruption and how will BISP prevent this from happening?

Theme: Social Conflict

1. Does any aspect of this project threaten human security (personal, community, political, education, health etc)?
2. Can the project cause situations of social conflict, such as any escalation in personal, communal, inter-regional conflict? Give examples.
3. Does identification of BISP and WeT beneficiaries and their receipt of benefits lead to creation of conflict or exacerbation of existing social conflict especially in place where there is competition over resources?
4. Does identification of beneficiaries lead to social marginalization of beneficiaries especially in the case of vulnerable people and IPs?
    a. *Have there ever been any cases where beneficiaries were stigmatized by their own communities for surviving on government aid etc?*
5. Can the project lead to crime or violence? What are or may be the forms?
6. Is BISP staff equipped to handle these conflicts? How does it currently deal with local conflicts situations and contestations?
7. Does the project have any impact on the health, safety and wellbeing of BISP staff or project communities? Provide details.
8. Districts implementing WeT are expanding in number. What specific strategies has BISP drafted to function successfully in conflict areas, in particular?

INTERVIEW QUESTIONNAIRE -4

Respondents: BISP BBC

These are guiding questions and field researchers may use these with flexibility as long as the key objectives and themes are considered.

1. Explain the process through which BBC have been formed or will be formed?
    a. Eligibility criteria of member? (see if women from disadvantaged sections of community are encouraged to become members)
2. What is the structure and core functions of BBC?
3. What role will BBC play in ensuring participation of vulnerable groups in the project? How?
4. What role will play in minimizing social conflicts and antagonism (in cases where it is caused by the project)? How?

- **Depending on the level of maturity/comfort of BBC members, selected questions from each thematic area should be asked. In case otherwise, a set of four basic questions should suffice.**

Theme: Accessibility

1. How easy or difficult it is to access BISP facilities? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
2. How easy or difficult it is to use payment mechanism? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
    a. Any concerns regarding the new changes – biometrics
3. How easy or difficult it is to participate in WeT and other complementary services? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.
4. How does it really benefit BISP beneficiaries if they are linked to complementary services? In what ways has this approach improved their life in practical sense? Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.

Theme: Vulnerability and Inclusion

1. Please identify the nature of vulnerable groups and individuals in your geographical area. In your opinion how much is BISP able to focus on vulnerable groups.
2. Are you aware of any cases where BISP staff has categorically tried to meet specific needs and concerns of vulnerable and disadvantaged? Provide details.

Theme: Stakeholder's Engagement & Communication

1. How many consultations or open dialogues are arranged & how regularly/often? What is the level of stakeholder participation?
    a. (Probe if timely consultations with stakeholders and vulnerable groups especially Indigenous People takes place prior to introducing changes or not)
2. What is the structure and process through which beneficiaries provide feedback and opinions to BISP? Does BISP incorporate beneficiary feedback or not?
3. How do beneficiaries discover about any project design/delivery mechanism changes?
4. Is it possible for one to freely express views and provide feedback to BISP? How? What process does one usually adopt? Does BISP pay heed to community feedback? If not – share experiences. Also share success stories where BISP has incorporated community concerns.
    a. (Guidelines to probe further: Do public feedback tools used by the program work effectively to elicit people's views especially those of marginalized people and IPs? Do consultation/public feedback processes promote communication and informed decision-making? Is the feedback mechanism structured in a manner that encourages an open exchange of views?)

Theme: Quality of Grievance Redress

1. What mechanisms (formal and informal) are currently in place for addressing concerns and grievances?

2. How effective and efficient is grievance redress mechanism in terms of responsiveness (Strengths/weaknesses of the system)

3. How easy or difficult it is to avail GRM facility. Are there any cultural practices/norms that facilitate or impede a woman's decision making in this regard? Explain.

4. What is the extent of client satisfaction or dissatisfaction regarding GRM?

5. How <u>accessible</u> is GRM (geographically, technically) to women?

6. Does the current GRM meet good standards of <u>accountability</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.

7. Does the current GRM meet good standards of <u>transparency</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.

8. Regarding financial management, what is the ordinary nature of fraud and corruption and how will BISP prevent this from happening?

Theme: Social Conflict

1. Does any aspect of this project threaten human security (personal, community, political, education, health etc)?

2. Can the project cause situations of social conflict, such as any escalation in personal, communal, inter-regional conflict? Give examples.

3. Does identification of BISP and WeT beneficiaries and their receipt of benefits lead to creation of conflict or exacerbation of existing social conflict especially in place where there is competition over resources?

4. Does identification of beneficiaries lead to social marginalization of beneficiaries especially in the case of vulnerable people and IPs?
   a. *Have there ever been any cases where beneficiaries were stigmatized by their own communities for surviving on government aid etc?*

5. Can the project lead to crime or violence? What are or may be the forms?

6. Is BISP staff equipped to handle these conflicts? How does it currently deal with local conflicts situations and contestations?

7. Does the project have any impact on the health, safety and wellbeing of BISP staff or project communities? Provide details.

8. Districts implementing WeT are expanding in number. What specific strategies has BISP drafted to function successfully in conflict areas, in particular?

INTERVIEW QUESTIONNAIRE -5

Respondents: <u>Non-Beneficiaries</u>

<u>These are guiding questions and field researchers may use these with flexibility as long as the key objectives and themes are considered.</u>

<u>Theme: Accessibility</u>

1. Why are you a non-beneficiary?
2. How easy or difficult it is to access BISP facilities?

<u>Theme: Vulnerability and Inclusion</u>

1. Please identify the nature of vulnerable groups and individuals in your geographical area. In your opinion how much is BISP able to focus on vulnerable groups.
2. Are you aware of any cases where BISP staff has ignored specific needs and concerns of vulnerable and disadvantaged? Provide details.

<u>Theme: Stakeholder's Engagement & Communication</u>

1. Is it possible for one to freely express views and provide feedback to BISP? Is there any structure or process through which non-beneficiaries can provide feedback and opinions to BISP? Does BISP incorporate non-beneficiary feedback or not? If not – share experiences.
2. As a non-beneficiary – how do you rank BISP communication with community particularly regarding the services that they offer? Are BISP information dissemination campaigns good and fair enough?

<u>Theme: Quality of Grievance Redress</u>

1. What mechanisms (formal and informal) are currently in place for addressing concerns and grievances?
2. How effective and efficient is grievance redress mechanism in terms of responsiveness (Strengths/weaknesses of the system)
3. How easy or difficult it is to avail GRM facility.
4. What is the extent of client satisfaction or dissatisfaction regarding GRM?
5. How <u>accessible</u> is GRM (geographically, technically) to women?
6. Does the current GRM meet good standards of <u>accountability</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
7. Does the current GRM meet good standards of <u>transparency</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
8. What is likely to be the ordinary nature of fraud and corruption in this project?

<u>Theme: Social Conflict</u>

1. Does any aspect of this project threaten human security (personal, community, political, education, health etc)?
2. Can the project cause situations of social conflict, such as any escalation in personal, communal, inter-regional conflict? Give examples.
3. Does identification of BISP and WeT beneficiaries and their receipt of benefits lead to creation of conflict or exacerbation of existing social conflict especially in place where there is competition over resources?
4. Can the project lead to crime or violence? What are or may be the forms?
5. Is BISP staff equipped to handle these conflicts? How does it currently deal with local conflicts situations and contestations?
6. Does the project have any impact on the health, safety and wellbeing of BISP staff or project communities? Provide details.

INTERVIEW QUESTIONNAIRE-6

Respondents: <u>Vulnerable groups/Individuals (minority, elderly, disabled, FHH, displaced, nomads, minors, widows)</u>

<u>These are guiding questions and field researchers may use these with flexibility as long as the key objectives and themes are considered.</u>

Theme: Vulnerability and Inclusion

1. What are the needs and concerns of vulnerable groups?
2. In your opinion how much is BISP able to focus on vulnerable groups.
3. What prevents vulnerable and disadvantaged from accessing the project benefits? How can these barriers be removed to facilitate access?
4. Are you aware of any cases where BISP staff has categorically tried to meet specific needs and concerns of vulnerable and disadvantaged? Provide details.
   a. At times people suffer from circumstances that make them vulnerable. For example, those suffering due to natural or man-made disaster and living displaced lives. What information do you have about BISP alleviating the misery of such groups of people?

Theme: Accessibility

1. How easy or difficult it is to access BISP facilities? Are there any cultural practices/norms that facilitate or impede a one's decision making in this regard? Explain.
2. How easy or difficult it is to use payment mechanism? Are there any cultural practices/norms that facilitate or impede one's decision making in this regard? Explain.
   a. Any concerns regarding the new changes – biometrics
3. How easy or difficult it is to participate in WeT and other complementary services? Are there any cultural practices/norms that facilitate or one's decision making in this regard? Explain.
4. How does it really benefit BISP beneficiaries if they are linked to complementary services? In what ways has this approach improved their life in practical sense? Any case studies? Explain.

Theme: Stakeholder's Engagement & Communication

1. How many consultations or open dialogues are arranged & how regularly/often? What is the level of stakeholder participation?
   b. (Probe if timely consultations with stakeholders and vulnerable groups especially Indigenous People takes place prior to introducing changes or not)
2. What is the structure and process through which beneficiaries provide feedback and opinions to BISP? Does BISP incorporate beneficiary feedback or not?
3. How do beneficiaries discover about any project design/delivery mechanism changes?
4. Is it possible for one to freely express views and provide feedback to BISP? How? What process does one usually adopt? Does BISP pay heed to community feedback? If not – share experiences. Also share success stories where BISP has incorporated community concerns.
   a. (Guidelines to probe further: Do public feedback tools used by the program work effectively to elicit people's views especially those of marginalized people and IPs? Do consultation/public feedback processes promote communication and informed decision-making? Is the feedback mechanism structured in a manner that encourages an open exchange of views?)

Theme: Quality of Grievance Redress

1. What mechanisms (formal and informal) are currently in place for addressing concerns and grievances?
2. How effective and efficient is grievance redress mechanism in terms of responsiveness (Strengths/weaknesses of the system)
3. How easy or difficult it is to avail GRM facility.
4. What is the extent of client satisfaction or dissatisfaction regarding GRM?

5. How <u>accessible</u> is GRM (geographically, technically) to women and disadvantaged, for example the disabled, elderly etc?
6. Does the current GRM meet good standards of <u>accountability</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
7. Does the current GRM meet good standards of <u>transparency</u>? If so – elaborate. If not, please explain the nature of shortcomings and their remedy.
8. Are the vulnerable groups more vulnerable to fraud than the ordinary beneficiaries?

<u>Theme: Social Conflict</u>

1. Does any aspect of this project threaten human security (personal, community, political, education, health etc)?
2. Can the project cause situations of social conflict, such as any escalation in personal, communal, inter-regional conflict? Give examples.
3. Does identification of BISP and WeT beneficiaries and their receipt of benefits lead to creation of conflict or exacerbation of existing social conflict especially in place where there is competition over resources?
4. Does identification of beneficiaries lead to social marginalization of beneficiaries especially in the case of vulnerable people and IPs?
    a. *Have there ever been any cases where beneficiaries were stigmatized by their own communities for surviving on government aid etc?*
5. Can the project lead to crime or violence? What are or may be the forms?
6. Is BISP staff equipped to handle these conflicts? How does it currently deal with local conflicts situations and contestations?
7. Does the project have any impact on the health, safety and wellbeing of BISP staff or project communities? Provide details.

INTERVIEW QUESTIONNAIRE -7

Respondents: <u>Indigenous community (Chitral)</u>

<u>These are guiding questions and field researchers may use these with flexibility as long as the key objectives and themes are considered.</u>

<u>Theme: Indigenous People and Inclusion</u>

1. What are the rights of Indigenous People?
2. What are the needs and concerns of vulnerable groups?
3. In your opinion how much is BISP able to focus on vulnerable groups.
4. What prevents IPs from accessing the project benefits? How can these barriers be removed to facilitate access?
5. Are you aware of any cases where BISP staff has categorically tried to meet specific needs and concerns of IPs? Provide details.

<u>Theme: Accessibility</u>

1. How easy or difficult it is to access BISP facilities? Are there any <u>cultural or political</u> aspects that can facilitate or impede one's decision making in this regard? Explain.
2. How easy or difficult it can be to use payment mechanism? Are there any <u>cultural or political</u> aspects that can facilitate or impede one's decision making in this regard? Explain...
   a. (inform about biometric use)
3. How easy or difficult it is to avail GRM facility.
4. How easy or difficult it is to participate in WeT and other complementary services? Are there any <u>cultural or political</u> aspects that can facilitate or impede one's decision making in this regard? Explain.

<u>Theme: Stakeholder's Engagement & Communication</u>

1. What is the nature and extent of engagement between Kalash and Government of Pakistan? How much does the government communicate with the Kalash and on what occasions is their opinion/consultation sought? In this backdrop how do the Kalash approach BISP, its design and delivery?
2. How much the Kalash already know about BISP? (Level of awareness)

<u>Theme: Social Conflict</u>

1. Does any aspect of this project threaten human security (personal, community, political, education, health etc) among Kalash?
2. Can the project cause situations of social conflict, such as any escalation in personal, communal, inter-regional conflict? Give examples.
3. Can being a BISP and WeT beneficiary lead to creation of conflict?
4. Can being a BISP beneficiary lead to social marginalization or stigmatization among Kalash?
5. Can the project lead to crime or violence?

FOCUS GROUP DISCUSSION-1

Respondents: <u>BENEFICIARIES (vulnerable included)</u>

1. What are the particular circumstances under which the vulnerable and disadvantaged groups and individuals survive in your community?
2. What prevents vulnerable groups from accessing BISP? How can these barriers be removed to facilitate access?
3. In your opinion what are BISP's strengths and what impact it has had, or will have on individuals and community?
4. [There is always room for improvement]. Where should BISP focus on in terms of introducing improvement initiatives? (introduce probes regarding grievance redress, social conflict, fraud/corruption and overall BISP project execution/implementation)

FOCUS GROUP DISCUSSION-2

Respondents: <u>NON-BENEFICIARY (vulnerable included)</u>

1. What are the particular circumstances under which the vulnerable and disadvantaged groups and individuals survive in your community?
2. What prevents vulnerable groups from accessing BISP? How can these barriers be removed to facilitate access?
3. In your opinion what are BISP's strengths and what impact it has had, or will have on individuals and community?
4. [There is always room for improvement]. Where should BISP focus in terms of introducing improvement initiatives? (introduce probes regarding grievance redress, social conflict, fraud/corruption and overall BISP project execution/implementation)

FOCUS GROUP DISCUSSION-3

Respondents: COMPLAINANTS GRM

1. What has been your experience of using GRM? Why did you use it? Nature of complaint?
2. What is your opinion about GRM?
   a. (Probes: elements that make matters easy, elements that make it difficult)
      - Opinion on GRM's Effectiveness
      - Opinion on GRM's Efficiency
      - Opinion on GRM's Responsiveness
      - Opinion on GRM's regard for Accountability
      - Opinion on GRM's regards for Transparency
3. Any recommendations for improving the existing GRM?

SURVEY QUESTIONNAIRE

Respondents: <u>BISP Tehsil and Field Staff</u>

DO NOT WRITE YOUR NAME

1	Gender	1.1 Male	1.2 Female	
2	Location	2.1 Province	2.2 District	2.3 Tehsil/UC
3	Nature of Service in BISP	3.1 Permanent	3.2 Temporary	
		3.3 Desk Job	3.4 Field Job	
		3.5. Desk & Field	3.6 Technical/IT related	
4.	Years in BISP	4.1 Eight to Five	4.2 Four to Two	
		4.3 One or Less		
5	Have you received training/s relevant to your job?	5.1 Yes	5.2 No	
6	If so, how many per annum?			
7	Who funded your trainings?	7.1 BISP or BISP partner	7.2 Self	7.3 Both BISP and Self
8	Do you normally engage in work for which you have received no training?	8.1 Yes	8.2 No	
9	Are you well trained to implement the changes BISP is introducing in 2016 onwards	9.1 Yes	9.2 No	9.3 Somewhat
10	What types of trainings should be arranged for BISP staff for maximizing benefits for the communities (improved social sustainability)?			

Annex-IV: Concept Paper for New Payment Model

Concept Paper for New Payment Model

1. Introduction

Benazir Income Support Programme (BISP) is the largest public sector social safety net program being operated in Pakistan. The program has conducted survey all across Pakistan & has registered 7.7 million beneficiaries. Out of these 5.6 million beneficiaries have CNIC issued by NADRA and are eligible for getting quarterly payments through BISP.

The program thus covers 27 million households who get Rs. 1500/month. The sum is disbursed on quarterly basis through different Banks & Pakistan Post across the country. Initially, BISP started the disbursements through Pakistan Post using Money Order system in 2008; Subsequently it conducted various pilots in 2010 (with NADRA using Smart Card) and in 2011 (with Banks and Telecoms using Mobile Banking); Today bulk of payments are disbursed using Debit Cards issued by Banks which are used by Beneficiaries at ATMs all across Pakistan & at designated POS (point of sale) locations. These payments are handled by 6 financial institutions who have been awarded various districts.

This document covers the various processes, which are related to New Payment Model model roll out.

2. Objectives

The overall objective of the new payment model is to select Payment Partners for disbursement of payments to BISP beneficiaries through a biometric based system across the country. Main objectives require integration of BISP systems with selected Payment Partner platforms for the next 2 years for quarterly payments disbursal and real time reconciliations of beneficiaries branchless banking accounts across the country in automated and real time environment as per BISP needs through acquired payment services.

Enhancement of BISP E-Payments systems efficiency through more in depth outreach to its beneficiaries including rural areas along with improved services standards through its automated & integrated Complaint Management System (CMS) with stakeholders systems for swift resolution of payment complaints form an essential part of the overall objectives. The specific objectives of the Beneficiary centric services are:

1. To ensure the payments disbursements in efficient & transparent manner by use of real-time biometric verification and to ensure beneficiaries are treated with dignity and redress their issues in easiest and fastest manner.
2. To ensure that payments are available to beneficiaries at the closest accessible Payment touch point by increasing the number of available touch points in Semi urban and rural areas.
3. To enhance integration between BISP systems & Payment partner platforms so that BISP has near real time visibility & control over the payment process which runs 24 x 7 x 365 days of the year.
4. To provide beneficiaries with continual communication with beneficiaries raise awareness through beneficiary communication campaigns.
5. To open millions of branchless banking accounts with Biometric Authentication of beneficiaries so they can easily transact at closest available touch points.
6. To ensure strong audit trails & reconciliation within payment system with visibility to all stakeholders.
7. To integrate BISP CMS with prospective MIS platform for beneficiaries' payment complaints processing, handling, management and swift resolutions on JIT basis in real time/automated environment on (24/7- hours/days) and 365 days of the year, live basis across the country.

3.   New Payment System

In order to meet the objectives of the new Payment model, BISP has devised a new payment system in consultation with all stakeholders, the details of which are explained in following sections.

3.1   Salient Features of the New Payment System

The new payment system will have following important features.

- To ensure a transparent disbursement mechanism, use of Bio-metric authentication is mandatory at the time of registration as well as each disbursement.

- In order to increase payment system's reach, the requirement for number of payment touch points is increased. Each payment partner will be required to put up one 1 touch point for every

- 250 beneficiaries OR 1 touch point at a UC Level (whichever is lower)

- BISP will host a centralized system "BISP Payment System" which will route all biometric authentication requests as well as manage data related to the disbursements, claim settlements, service charge payments etc. BISP Payment system will manage all payment related activities.

- Currently participating banks are allocated beneficiaries and the amount & service charges are pre-funded. Under new model, Payment partners will be provided funds for disbursement however the service charges will be paid after beneficiary has done withdrawal.

- The payment partners will be required to proactively encourage beneficiaries to withdraw funds within 30 days; the payment partner will be required to pay a markup on amounts which are not withdrawn 30 days after the funds were provided by BISP, unless tied to a financial inclusion product which will allow beneficiary graduation.

3.2   New Payment System Architecture

The overall architecture for the new model for payments is shown in the diagram below:
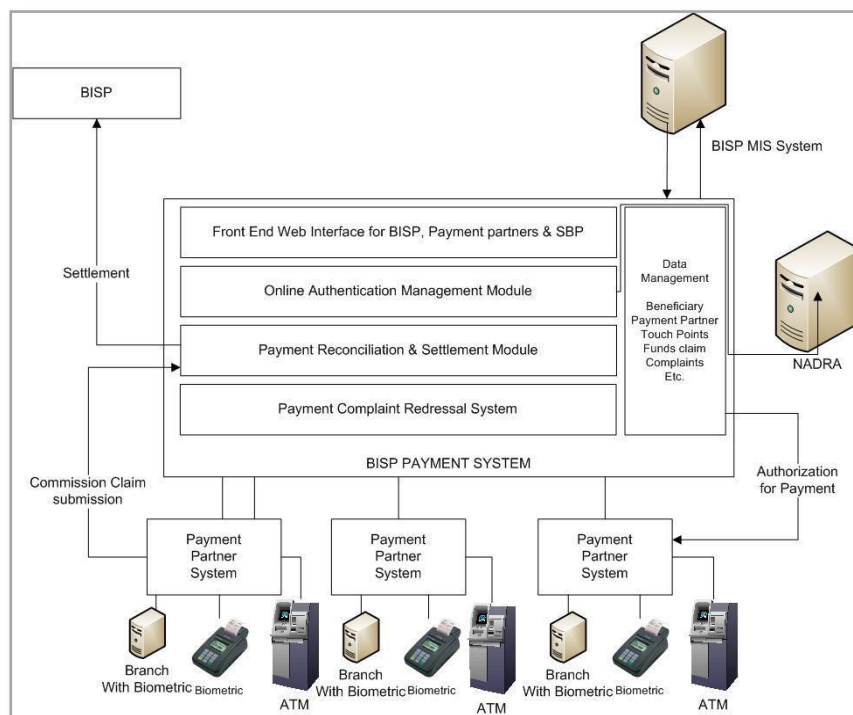
3.3 System Architecture – BISP Payment System

- The overall system housed in BISP will be called BISP Payment System (BPS)
- This will comprise of following modules
    - Existing MIS System
        - Load eligible beneficiary list into Payment Processing Module
        - Payment List Generation for Registered beneficiaries (CCT & UCT)
    - Payment Processing Module
        - Registration of Touch Points
        - Registration of Beneficiaries
        - Biometric Verification via NADRA at time of Registration & Payment
        - Receive Disbursement Notification from Payment Partner
        - Receive Withdrawal Notification from Payment Partner
        - Reconciliation of Claims & Service Charge payments
    - Payment Complaint Redressal Module
        - Balance Inquiry of a branchless banking account of particular CNIC
        - Last 5 transactions on account of particular CNIC
        - View Account Status
        - Block Account Status
        - Request Personalized Debit Card for a CNIC[35]
        - View Personalized Debit Card status
        - Block Personalized Debit Card
        - Unblock Personalized Debit Card
        - Payment Complaint Workflow Management

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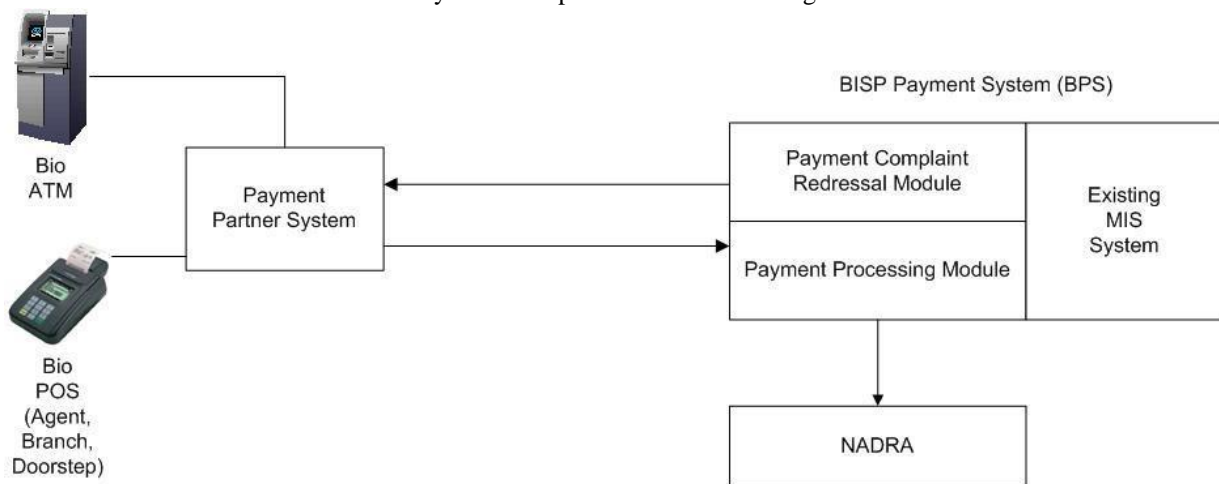
[35]Personalized Debit Card will only be given to Customers who have consistently failed Biometric Verification. And have gone through necessary approval cycle before cards can be issued to such customers.

4.   Payment touch points

One of the key objectives of new payment model is to increase the reach of payment system & allow beneficiaries to register & get their payments most conveniently. A payment touch point is any location where the beneficiary can register in the system and transact to get their disbursement. The new payment model will allow beneficiaries ability to use various touch points which are as follows:

Touch Point Type	Beneficiary Registration	Beneficiary Payments
Bank Branch	☐	☐
Agent Location	☐	☐
ATM		☐
Door to Door Service	☐	☐

BISP expects that with inclusion of various types of touch points, the number of potential touch points will drastically increase. As per SBP Branchless Banking newsletter more than 50,000 Biometric enabled agents are currently operational offering Mobile account opening & payments to customers. Besides this, SBP has mandated use of Biometric verification at the time of Account opening in conventional bank branches. The new payment model leverages on the regulatory & technology landscape to increase the payment touch points.

In the new payment model, the primary mode of transaction is Biometric Authentication, hence BISP beneficiaries will be able to perform transaction at any Biometric enabled location be it Bank Branch, ATM, Agent Location and in some cases Door to Door service. Biometric authentication will ensure 100% transparency as the registered beneficiary will be the only one taking payments.

Those beneficiaries who cannot be biometrically verified due to any reason will be allowed alternate method of payment, which is through Personalized Debit Cards.

BISP will encourage large banks to partner with existing Branchless banking networks of Telcos who already have significant distribution network. Besides these, banks will also be encouraged to partner with large public sector organizations such as Pakistan Post, Utility Stores Corporation, NADRA e-sahulat network, PSO etc.

Exceptional/Non mainstream Districts:

There is also a possibility of some far flung areas/districts (e.g. FATA, Baluchistan) where basic mobile communication facilities including data services required for BVS do not exist. In those areas beneficiaries will be provided alternate payment methods. Partner banks will be encouraged to provide innovative solutions for such select districts and these would be treated differently from the mainstream Payment Model with different line of reporting and specialized reconciliation procedures, and if needed, different rates of commission will apply. BISP will point out such exceptional districts and their differential treatment in the RFP and the contracts.

4.1   Agent On boarding criteria

Apart from ATMs, all other payment touch points require human intervention; A concern with the use of Agent networks is that if Agents are not properly trained and due diligence has not been done then beneficiaries may face difficulties in getting payment.

In this regard payment partners will be required to share the detailed Agent on-boarding criteria & checks which they have performed while on-boarding and enrolling the agents & their plans for future monitoring of agents on on-going basis to maintain the service quality standards desired by BISP.
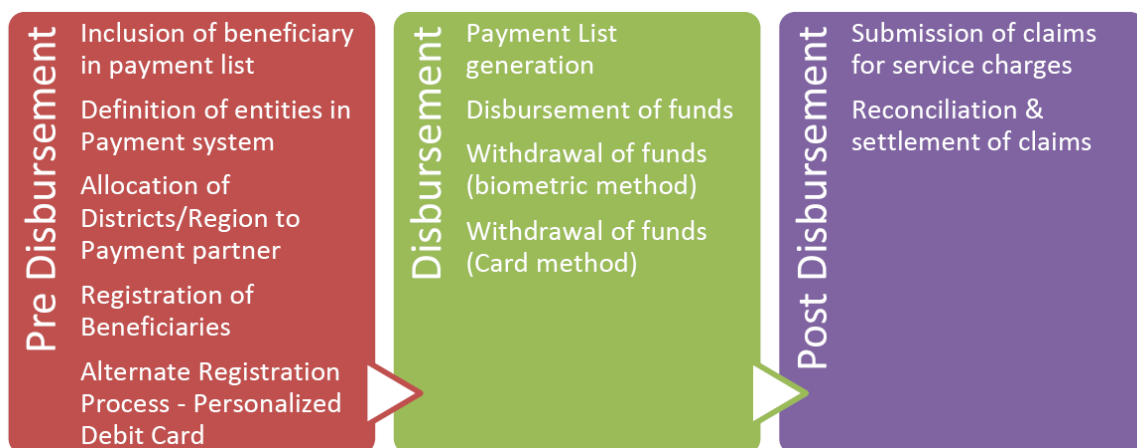
In addition to the agent selection criteria laid out by Banks in light of State Bank of Pakistan regulations, BISP would require the payment partners to agree with following conditions:

a) The agents should be sufficiently trained and qualified prior to the program & on on-going basis to operate the POS/Bio-metric devices in order to register the beneficiaries & perform transactions.

b) The agents should make adequate arrangement for respectfully handling beneficiaries at the time of registration & payments.

c) BISP will share its internal monitoring mechanism with payment partners. The partners must own the mechanism and should ensure cooperation at all levels which includes but is not limited to facilitating on-site spot check visit to Agent location, providing points of contact at District/Tehsil level for payment complaints, regular meeting with BISP field staff.

5. Operational & Technical Processes

This section covers all the Operational Processes along with the Technical steps & Data flows which will happen at each step in the New Payment Model. The processes have been broadly categorized into 3 areas which are :

- **Pre-disbursement**

- **Disbursement**

- **Post-disbursement**

| Pre Disbursement	Disbursement	Post Disbursement
Inclusion of beneficiary in payment list	Payment List generation	Submission of claims for service charges
Definition of entities in Payment system	Disbursement of funds	Reconciliation & settlement of claims
Allocation of Districts/Region to Payment partner	Withdrawal of funds (biometric method)	
Registration of Beneficiaries	Withdrawal of funds (Card method)	
Alternate Registration Process - Personalized Debit Card		

Besides the regular operational process related to payment, some other related processes are also defined in this document which relate to Migration of beneficiaries, Payment complaint handling & other related process.

Within each process following details are defined

- *Operational Process:* refers to activities to be done by operations team

- *Technical Process:* refers to functionality that New Payment system should provide

- *Internal Data flow:* movement of data within the BISP system between modules

- *External Data flow:* sending or receiving of data between BISP and external entity.

- *Associated Technical specs:* Technical specifications (File Format/API) (where required)

5.1 Pre-Disbursement

Pre-Disbursement processes include all the processes which are required before the Beneficiary is included in the Payment List. These processes will start from Inclusion of beneficiary into Payment System and beneficiary's registration with a payment partner and subsequent inclusion in next payment list.
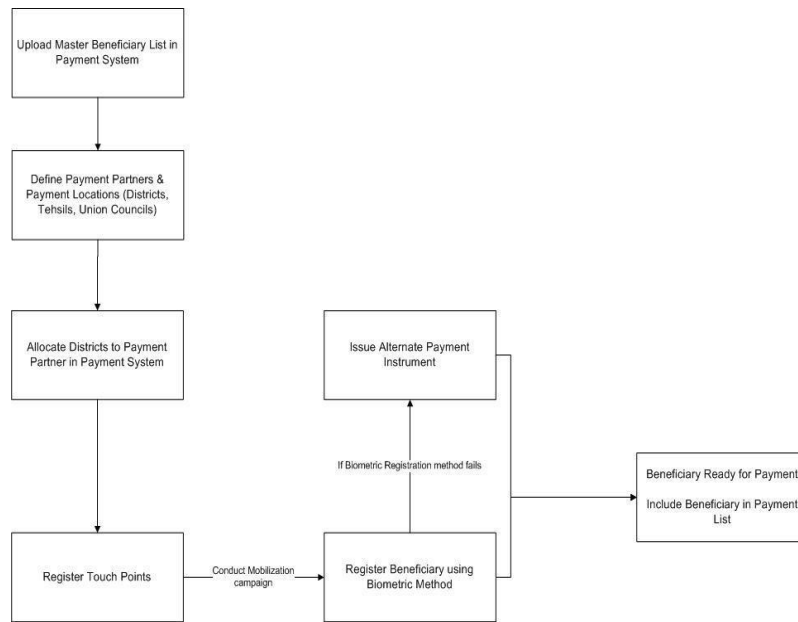
5.1.1 Inclusion of beneficiary in Payment System

Operational Process:

- BISP will determine the districts for which roll out is to be carried out

- List of Eligible beneficiaries will be taken from NSER Data and uploaded in Payment Processing Module.

Technical Process:

- User Interface should be available in system for Data Uploading in Payment Processing Module

Internal Data Flow:

- Data of all eligible beneficiaries will be provided by MIS Module to Payment Processing Module.

- This Data will serve as the Master Beneficiary Data for Payment Processing

External Data Flow:

- None

5.1.2 Definition of Configuration Data (Entities)

Different types of entities will be configured in the Payment Processing Module for the entire process to take place. These entities will be as follows:

- Payment Partners

- Districts

- Details of Locations (Union Councils, Tehsils, Districts)

Operational Process:

- Payment Partners which are qualified will be defined in the System

- Locations up to Union Council granularity will be defined in the System

Technical Process:

- User Interface should be available for definition of Payment Partner

- Bulk Data Upload should be available to define all Locations in the system.

Internal Data Flow:

None

External Data Flow:

None

5.1.3   *Allocation/ De-allocation of a territory to Payment Partner*

After the conduct of RFP, each Payment Partner will be allocated one or more Districts. This data should be mapped in the system.

Pre-Requisite:

- All Payment partners & Districts are defined in the system

Operational Process:

- Payment partner & their respective district allocation need to be defined in the system.

Technical Process:

- User Interface should be available for selecting a Payment partner and mapping available districts to the Payment partner.

- System should allow for De-allocation of district from a Payment partner.

- Allocation/De-allocation activity should be defined by one user & authorized by another user (Maker/Checker).

- System should maintain the Audit Trail of all the activities (e.g. Date of allocation/de-allocation, User ID used etc.)

Internal Data Flow:

None

External Data Flow:

None

5.1.4   *Registration of Touch point*
Each Payment partner will provide the details of its Touch Points to be used for Beneficiary Registration & Beneficiary Payment activity. The data of these touch points will be loaded in the Payment Processing Module.

Operational Process

- Receive Data of Touch Points from Payment Partners

- Upload Data in BISP Payment System

- Generate Reports to verify that data meets KPI Requirements.

Technical Process

- User Interface should be available to upload the Bulk Data received from Payment Partner

- System should provide a Visual Interface on which the Locations should be visible on Map based on their Latitude and Longitude.

Internal Data Flow:

None

External Data Flow:

- For one-time activity the system will provide User Interface to upload data in Bulk

- For future addition/deletion or updates, API will be provided

Associated Technical Specifications

- Payment Partner Touch Point Data (File Format)

- RegisterTouchPoint   (API)

5.1.5   *Mobilization of Beneficiaries & Communication strategy*

BISP Media & Communication Wing will undertake design & execution of the beneficiary mobilization & awareness campaign and bear its costs. However the payment partner is required to actively assist BISP in the same to ensure that maximum numbers of beneficiaries are made aware about the new payment process & timely register at the nearest payment touch point. This assistance will include but not limited to:

- Allocate team members to sit & review the campaign design made by BISP and share their ideas to make it effective.

- Ensure that all the promotional material (signage, banners, leaflets posters etc.) are appropriately placed on Payment touch points.

- Staff is allocated by payment partner for effective training of Branch staff, Agents or Door-step delivery staff so they can effectively deliver services and information to beneficiary.

- On a regular and timely basis liaison with BISP for desired improvement in campaign execution and communication.

5.2   Disbursement Process

Disbursement processes are set of processes which will start after Beneficiary is registered in the system & is ready to receive payments. These processes cover all the activities which are part of the regular disbursement cycle starting from the generation of payment list upto the withdrawal of payment by beneficiary.

At a high level following processes are involved.
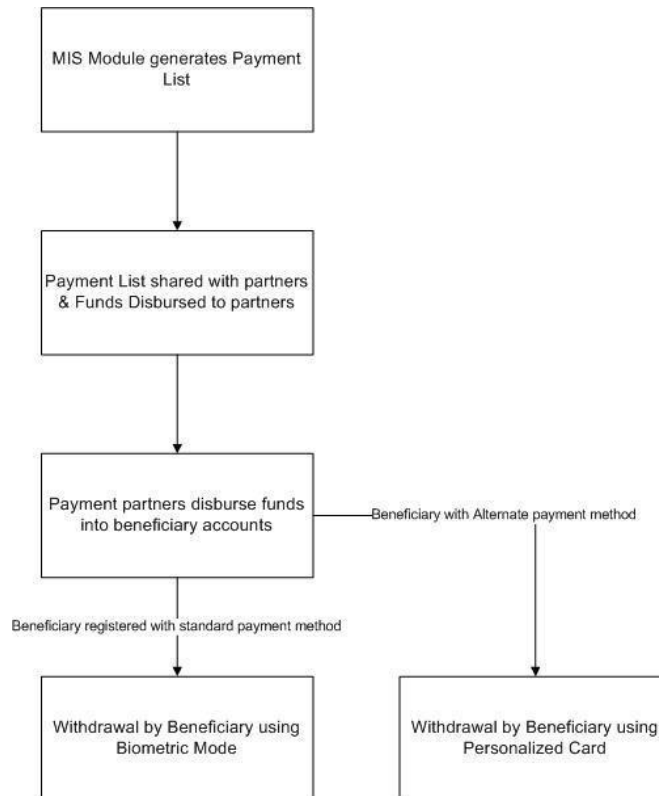
5.2.1 *Payment List Generation*

Operational Process:

- All beneficiaries marked as "Registered" in the Payment processing module during Predisbursement process will be picked by MIS Module for payment list generation.

- MIS Module will generate the Payment List

- The Payment list will be generated for each payment partner.

- Each entry in the list will be marked with "Source of Funds" (GOP, ADB, WB etc.)

- Reports will be generated for Finance Team to prepare Cheques for appropriate amounts for disbursement of funds to payment partners.

- Payment lists will be placed on Secure FTP server for partners to fetch from BISP.

Technical Process:
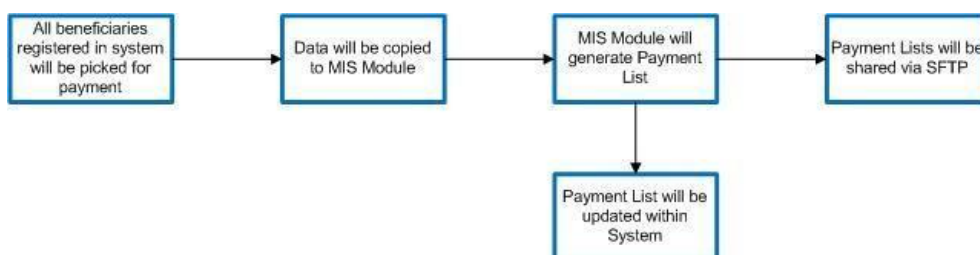
Internal Data flow:

- Payment List will be generated by MIS Module and will be made available to Payment Processing Module so that when payment partners perform further operations, this data can be used for verification.

External Data flow:

- Payment List will be shared to Payment partners.
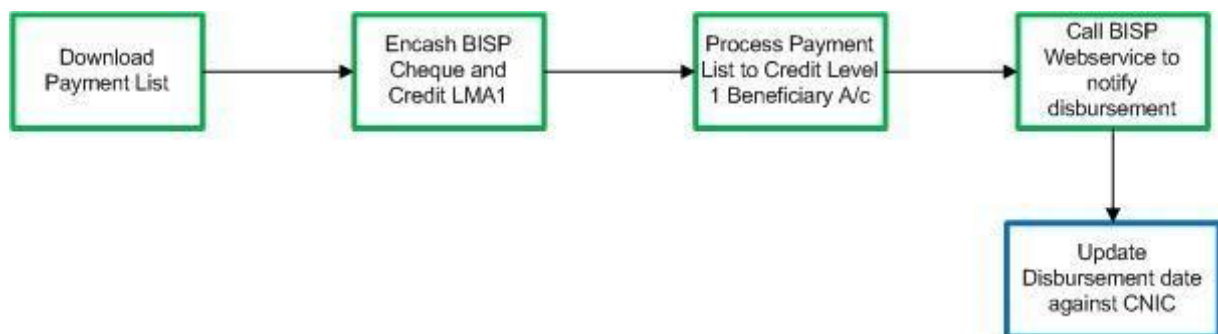
Associated Technical specs:

- Payment List file format oPayment ID oCNIC oAmount to be disbursed oSource of Funds

5.2.2   Disbursement of Funds into Beneficiary Account

Operational Process:

- Once payment list is available on SFTP & payment partner receives the payment cheques from BISP, the payment partner will encash the cheque into BISP LMA1 account

- Using the Payment list, Payment partner will transfer funds from LMA1 account to individual branchless banking accounts (Level 0/Level 1).

- Payment partner will report each Disbursement into Level 0 or Level 1 account back to BISP Payment system.

- BISP Payment System will record the accumulate total funds disbursed against each Beneficiary CNIC (This will be used for Reconciliation of Claims for service charges)

- BISP M&E team will monitor the disbursement process through Payment system dashboard to confirm that payment partner has disbursed funds within the agreed time frame.

- BISP can create a system based verification process to query sample (say 10%) of individual beneficiary accounts randomly for Balance Inquiry to confirm that payment is actually disbursed in account.

Technical Process:

Internal Data flow:

None

External Data flow:

- Payment partner will call BISP Web service to update on Disbursement

- BISP system will record the date of disbursement

Associated Technical specs:

Following web service will be called by Payment partner.

- UpdateDisbursement

5.3 Post Disbursement

Post Disbursement processes refer to the set of processes which will start after beneficiary has got the disbursement. These processes will involve notification of withdrawal by Payment partner, Reconciliation of the claims & payment of Service charges to partner.

5.3.1 Submission of Claims

The purpose of this process is to submit the claim for Service charges after BISP beneficiary has withdrawn money. In case beneficiary has done multiple withdrawals (in case of ATM both Biometric and Card based transactions) then separate claims will be submitted by Payment partner.

Operational Process:

- As soon as beneficiary has withdrawn the amount, payment partner will submit the claim by calling BISP System service

- BISP system will receive the claim and perform following validation

  - If the withdrawal is through biometric method, system will match the Transaction Reference with one provided during Biometric authentication. System will also match other details and send OK response if data is matched

  - If the withdrawal is through Card based method, system will validate that the CNIC is marked for alternate payment method and Card number matches the card issued at time of registration.

- Once validations are done, the claim will be marked as Accepted for further processing

- Payment system will record each claim & accumulate the total amount claimed as withdrawn

- All claims submitted within a calendar date will be processed on next working day.

Technical Process:
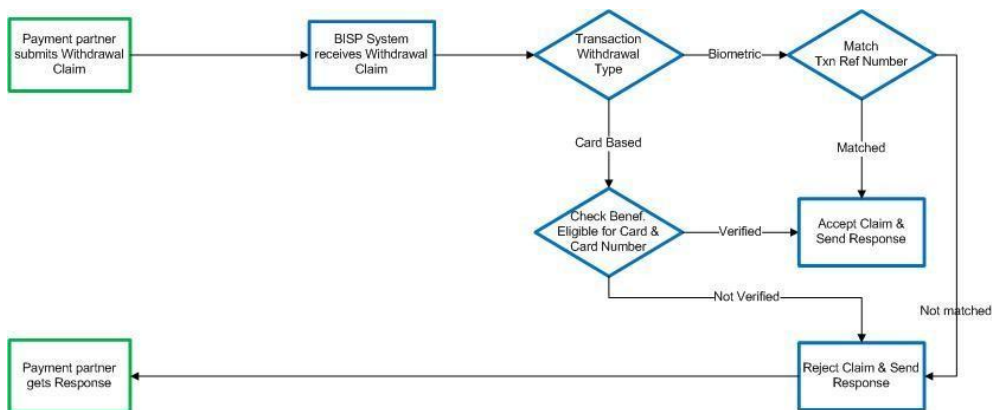
Internal Data flow:

- All successful claim request will be processed further for Service charge disbursement

- MIS Module will use the data for generating relevant reports.

External Data flow:

- Payment partner system & BISP System will integrate through web service.

Associated Technical specs:

- Webservice:　　　Notify Withdrawal

5.3.2　Reconciliation & Payment of Service Charges
Operational Process:

- When the claim is accepted by BISP system, initial verification is already performed

- For Biometric based claims, further reconciliation will be performed as follows

    - The Transaction Reference Number submitted has not been submitted earlier

    - The Amount in Claim matches the amount in withdrawal request

- For both Biometric & Card Based transaction

    - The system will validate that the accumulated balance claimed against beneficiary does not exceed the amount disbursed. This is necessary because there can be more than 1 claim against 1 disbursement.

- The reconciliation process is automated & will generate list of Reconciled & Exception Claims.

Technical Process:
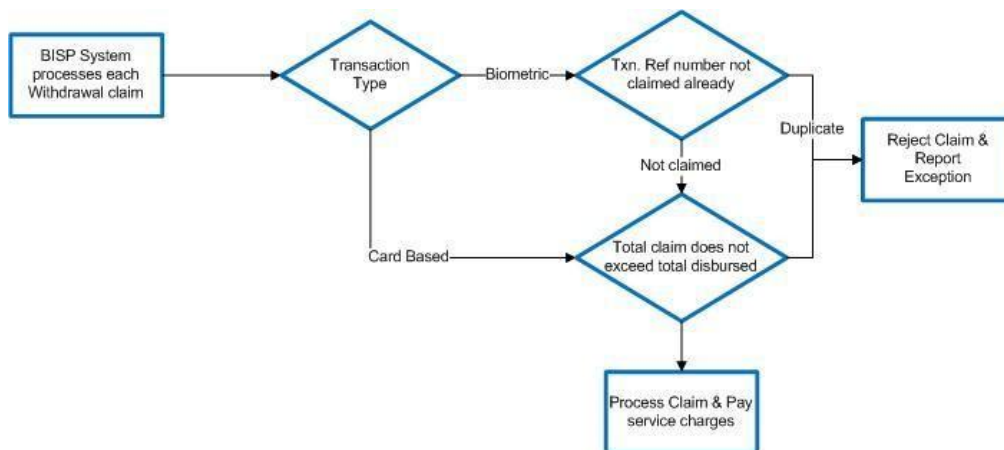
Internal Data flow:

- Post Reconciliation data will be processed by MIS system for calculation of service charges.

External Data flow:

- Reconciliation Reports will be placed on Secure FTP for payment partners.

- Reconciled transaction extract will be provided to Payment partners.

Associated Technical specs:

- **File Format:** Reconciled Transactions
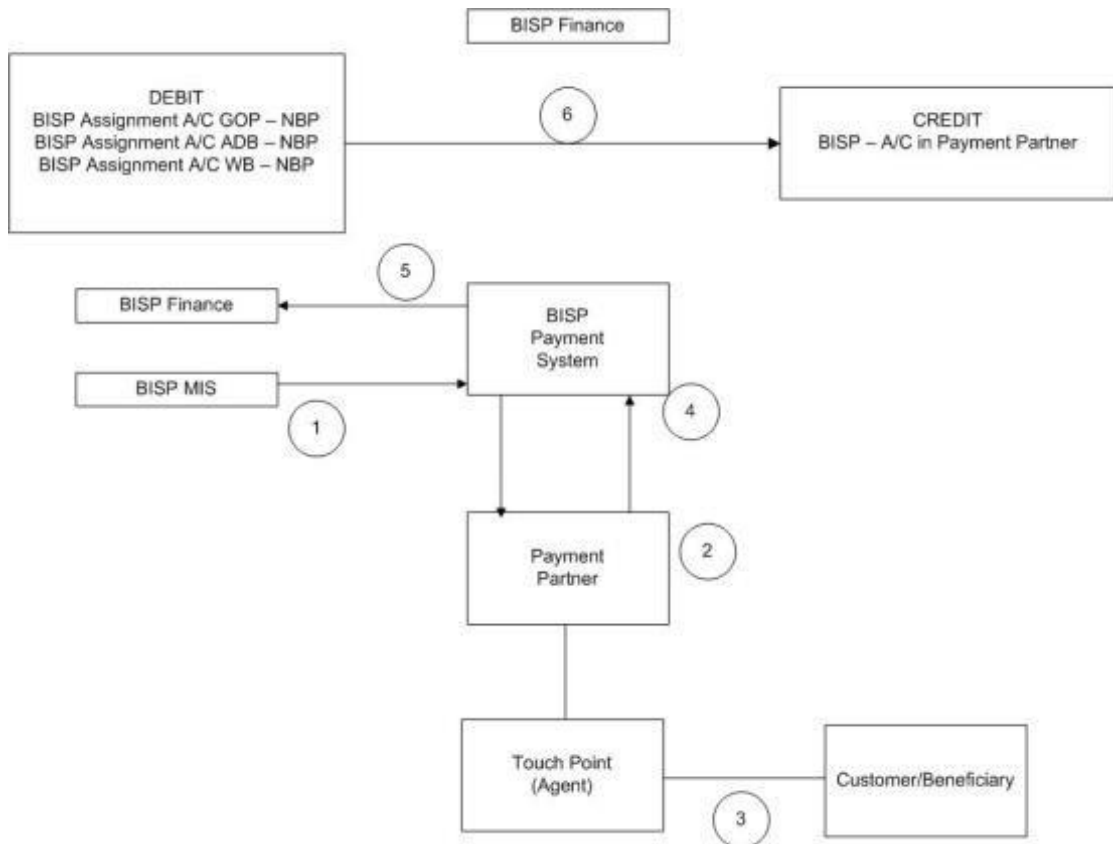
6. Interoperability

One of the key objectives of the new payment model is to ensure maximum facilitation to Beneficiary. In the current national payment ecosystem only card based transactions from ATMs are interoperable. BISP will work with State Bank of Pakistan (SBP) and the different payment partners to ensure that interoperability of transactions is implemented for Biometric as well as Card based transactions done by BISP beneficiaries from any touch point of the payment partners.

The interoperability between Banks will be enabled through a licensed PSO (Payment System operator) and interoperability condition will be mandated for all the payment partners as part of the RFP process and through the contracting so that all partners integrate through the Licensed PSO Switch on basis of a pre-agreed interchange rate between themselves.

Through implementation of interoperability all the beneficiaries will be able to use any payment partner touch point and thus will be facilitated.

7 Financial Model

The overall flow of funds during the entire payment process is described below:

1. Payment List will be provided from BISP MIS system to Payment Partner

2. BISP will issue cheques for equivalent funds from appropriate Assignment A/C to BISP Account maintained within Payment Partner Bank.

3. Payment Partner will credit Beneficiaries Branchless Banking Accounts

4. The Payment touch point will pay cash to beneficiary

5. Payment partner will report withdrawal to BISP and claim service charges from BISP

6. BISP reconciles payment claims with original Payment list & authentication data and creates Net Settlement Amount for all reconciled transactions (Total Service charges less deductions)

7. BISP Finance will Debit appropriate Assignment Accounts & Credit BISP Account maintained with Payment partner for the Service Charges amount.

Payment partners will be liable to pay profit on any funds which are not withdrawn by beneficiary after 30 days of disbursement into their account, unless tied to financial inclusion/graduation product for which prior approval ought to be sought from BISP.

8. Key Performance Indicators & Penalties

In order to make the entire model Beneficiary centric and to ensure that Payment partners comply to the requirements specified by BISP & committed by partner at the time of award of contract, a set of Key Performance Indicators (KPIs) will be defined and will be monitored by BISP & backed by contractual penalties in case of non-compliance.

8.1 Key Performance Indicators

Area	Key Performance Indicator	Penalty Level
Payment Touch points Numbers of Payment touch points (1 for every 250 beneficiaries OR 1 at each Union Council whichever is lower).	• 95% of payment touch points are setup before start of disbursement cycle • 90% of the payment touch points should be active (Active means beneficiaries are able to transact at the touch point)	Level 5 Level 5
Disbursement of Funds in Account	☐ Funds must be disbursed in beneficiary account within 3 days of transfer to Bank	Level 5 Level 6 Level 7
Complaints regarding Liquidity at Agents	☐ Payment partner must ensure adequate liquidity, complaints should not exceed 2% of the beneficiary population in allocated area	Level 5 Level 6 Level 7

Payment Complaints against Agent	☐ Individual Agent related complaints should be resolved within 7 working days	Level 1 Level 2 Level 3
Payment Complaint Redressal	☐ 95% of the overall complaints should be resolved within agreed TAT (turn around time)	Level 5 Level 6 Level 7

8.2   Definition of Penalties

There will be different level of penalties for each reported instance of non-compliance. The penalties are categorized in levels and will apply as per the nature of non-compliance. Multiple penalties may be applied on a non-compliance level based on its nature.
These are:

8.2.1 Level 1:
- Recovery of full payment to beneficiaries for amounts embezzled by Agents at POS locations, Branchless Banking touch point or Doorstep service.

8.2.2 Level 2:
- Payment partner will blacklist Franchise/Agent from BISP disbursements forever

8.2.3 Level 3:
- Payment partner will suspend Franchise/Agent from BISP disbursements till inquiry is completed

8.2.4 Level 4:
- Provision of Alternate payment touch points in case of imposition of Level 1,2,3 penalty

8.2.5 Level 5:
- Deductions from Financial Institutions Service Charges; **Partial** Deductions based on number of beneficiaries per Tehsil or Union Council based on the nature of complaint and ground realities.

8.2.6 Level 6:
- Deductions from Financial Institutions Service Charges; **Full** Deduction based on number of beneficiaries per Tehsil or Union Council based on the nature of complaint and ground realities.

8.2.7 Level 7:
- BISP reports non-compliance to State Bank of Pakistan for further legal/disciplinary actions.

Annex-V: Case study Religious Minorities: Punja Sahib, Sikh community of Pakistan and BISP

In the past there was a BISP office on main Hazara/Haripur road that has now closed down. Punja Saab has a predominantly Sikh community consisting of eighty-five households settled in and around Gurdwara (*shrine for Sikhs*)Punja Saab. They are poverty-stricken and do not own property or livestock. Four women introduced themselves as former BISP beneficiaries as they had no access to payments anymore and were unaware of how to receive payments in the new location. Muslims own property and rent it out to Sikh and Hindus on high rates (Rupee 6000/month for two rooms). The major source of livelihood for Sikhs and Hindus is running small kiosks and engaging in daily wage labor.

Punja Saab is home to three groups of IDPs: (i) those escaping the Afghan Taliban and US war in 2001 (ii) those who left in response to army operation in Swat in 2009 and (iii) those who wanted to restart their lives post 2005 earthquake in Battagram. The Sikh population arriving from Khyber and Kurram Agency form the first two groups. Hindus are mainly from Battagram and among a dozen Hindu families in Punja Saab – only two households relocated from Mingora while escaping from the Taliban. Those who had relatively strong finances immediately made travel arrangements and migrated to India with the help of the Indian High Commission whilst others settled in Punja Saab. The respondents estimated that out of a four hundred Hindu families who initially arrived in Punja Saab only a dozen were left behind.

Living Condition. Mostly men take up menial labor to run their households. Women have weak health status and every other woman suffers from cancer, tuberculosis or hepatitis. No medical funds are available in the area.The community identified the need for educational institutions so that their children could start earning. Education levels are dismally low for both boy and girl children; there is no one studying at undergraduate level. Education for them is a luxury and the more affordable government schools offer curriculum that is irrelevant to Hindu and Sikh communities.

Survival initiatives. There is a community-driven income generating initiative – a sewing centre for women. The women informed about the school and its benefits but also mentioned that lack of sewing and knitting machines at home, lessons were difficult to practice or perfect.

Grievances. Lack of educational and health facilities remain a key concern. The community does not trust its politicians and feels neglected irrespective of religious affiliation. Initially, the IDPs lived in the *musafirkhanas* (free inn), eating from the *langar* (free public kitchen) at the *Gurdwara*. Gradually the Gurdwara administration requested IDPs to move out.

IDPs complained that the Government neglected them and the Gurdwara was left to mend for itself. The community was asked repeatedly as to why they did not seek help more proactively but they did not provide clear answers. However, one plausible explanation is that for them escaping the Taliban and arriving safe at the Gurdwara was a blessing in itself – and they did not want to be in the limelight and become easy targets for the Taliban. Once at the Gurdwara, they accepted it as their cocoon and started living in and around it. Those who cannot manage to pay rents continue to live in the Gurdwara and those who moved out still continue to eat from the public kitchen, as they cannot afford to cook three meals at home.

A list of deserving cases that can definitely gain from BISP intervention are given below:

(Location: Punja Saab: Cases Forwarded for BISP's consideration)[36]
- *(ID withheld) approached BISP Attock, Tehsil office as she has not received any payment for the past six months. Her issue remains.*
- *(ID withheld) Originally registered in Buner but moved to Punja Saab. She has never received any money.*
- *(ID withheld)complains that her husband's brother's son (dewar) is committing fraud and withdrawing money in Parachinar. At the time of her relocation to Punja Saab he told her that the BISP station must*

---

[36] The group of women consulted are: Shamim Akhtar (CNIC # 37103-2029399-6); Balbeer Kaur (CNIC # 15101-6639016-4); Harnam Kaur (CNIC # 21303-9139070-2); Kanwal Kaur (CNIC #14301-8198437-6); Kaki Devi (CNIC # 37405-0343411-4) Ravinder Kaur (CNIC # 17301-68204820) Harjeet Kaur (CNIC # 21201-3130053-4) Pakwaan Kaur. (CNIC # 17301-3113924-0) Bhajan Kaur (b.1948) (CNIC # 13202-0714898-8); Maan Kaur (CNIC # 17301-77394724). Saroop Kaur (CNIC # 21201-8205569-4) Prem Kaur (CNIC # 21201-8424083-0)

remain Parachinar and took the card from her, promising to send her money from there. This never happened.

- *(ID withheld)is a cancer patient and was very unwell at the time she visited the ESSA team. She could hardly walk or sit straight. She has no accommodation and asked for government help so that she could manage to survive.*
- *(ID withheld)for two years she received money after which it stopped. When asked why – she said the postman stopped visiting. This shows women are not aware of the system at all and can be this naïve due to lack of exposure in the public domain.*
- *(ID withheld) arrived in Punja Saab in 2010. She lives in a rented house/has eight daughters, a terminally ill son (anda), jobless husband. She pleaded for her medical bills to be paid.*
- *(ID withheld) lives in a rented home. Hepatitis patient and husband is a road side vendor with low income*
- *(ID withheld)Born in 1948, she is feeble old and dependent on her son who has a family of his own. At times he spends on her but mostly she is entirely on her own. She suffers from Hepatitis, sugar, arthritis. She complained that the government has never even seen in what condition they all survive.*
- *(ID withheld) Old, unwell with no source of income.*
- *(ID withheld) She has primary school aged children and wants education for them. Her husband is sick and the woman is responsible for the family. She mainly survives on Gurdwara kitchen.*
- *(ID withheld) Has five daughters. She has a husband who suffers from hepatitis. Saroop is concerned about her daughters as she is unable to fulfill their needs.*
- *(ID withheld)Taliban butchered her husband before her eyes. He had a shop and his limbs were chopped off as the Taliban tried to convert him to Islam, finally killing him. This happened at the border of Jalalabad and Prem Kaur with her surviving inlaws, a seventeen year old daughter and a fourteen year old son escaped the horror. She wants to restart her life and become independent.*

Annex VI: Sample Picture of BDC Showing No Identification of Card Owner

Annex VII: BISP Office Case Study of Investigating Fraud

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       Subject: Inquiry of BDC card of Bank Alfalah at Quetta
         From: dg.baluchistan@bisp.gov.pk
          Date: Thu, May 14, 2015 5:43 pm
            To: "Yasir Riaz Ahmed" <yriaz@bankalfalah.com>
            Cc: "Malik Muhammad Abu-Bakar" <ddfo@bisp.gov.pk> (more)
     Priority: Normal
      Options: View Full Header | View Printable Version | Download this as a file

Dear Yasir sb,

Mr Abdul Raoof Director HQ Balochistan have the responsibility to manage
and monitor the BDC operation, and as per our Honorable Chairperson
instruction about Zero tolerance for Corruption therefore he is more
concern about these issues , and his observation is just because of
delay in action .

I just receive another serious complaint about your staff in Barkhan
(complaint attached) , and hope that prompt action will be taken .

Regards

DG Balochistan

Bank alfala file ⓔ *15/5/15*

Abu Bakar,
>
> I strongly disapproved the statement of Mr. Rauf as we are protecting any
> employee who involved in any fraudulent activity. The matter has been
> concluded and same has been intimated to Mr. Rauf by Mr.Shuja.
>
> However, The staff of that campsite has been terminated after recovered
> the embezzled amount and same would be handed over to beneficiary in
> presence of Mr. Rauf by Friday provided Mr. Rauf ensure her presence at
> his office.
>
>
> Regards,
>
>
>
>   Yasir Riaz
>   Head of G2P
>   Branchless Banking.
>   0321-2005022
>
> -----Original Message-----
> From: Malik Muhammad Abu-Bakar [mailto:ddfo@bisp.gov.pk]
data:text/html;charset=utf-8,%3Ctable%20bgcolor%3D%22%23ffffff%22%20border%3D%220%22%20width%3D%22100%25%22%20cellspacing%3D%220%...

> Sent: Wednesday, May 13, 2015 12:56 PM
> To: Yasir Riaz-Ahmed
> Cc: Wasim Ahmed Farooq - 3539; dg.ct@bisp.gov.pk;
> luchistan@bisp.gov.pk; dirhq.bal@bisp.gov.pk;
> noor.) hman@bisp.gov.pk; 'shakir hussain'
> Subject: FW: [Fwd: Inquiry of BDC card of Bank Alfalah at Quetta]
>
> Dear Yasir Sb,
>
> This is a case of misappropriation from the accounts of poor beneficiaries
> who have applied for replacement in Quetta. Kindly direct a joint inquiry
> on the matter in collaboration with the Regional Office Balochistan and
> submit a report as soon as possible please.
>
> Humble Regards,
>
>   '
>
> Malik M. Abu-Bakar
> Deputy Director FO
> BISP HQ, Islamabad
> 0321-6026834
>
>
>
>
> -----Original Message-----
> From: Mr Abdul Raoof Khan [mailto:dirhq.bal@bisp.gov.pk]
> Sent: Tuesday, May 12, 2015 2:42 PM
> To: dg.ct@bisp.gov.pk; ddfo@bisp.gov.pk; noor.rehman@bisp.gov.pk;
> shakir.hussain@bisp.gov.pk; bdc.ocr@bisp.gov.pk
> Cc: shujaur@bankalfalah.com; wasimf@bankalfalah.com
> Subject: [Fwd: Inquiry of BDC card of Bank Alfalah at Quetta]
>
> Dear Sir,
> Assalam O Allaikum,
>
>
> with clear evidence the bank Alfalah officials are avoiding and protecting
> their suspicious employees who are involve in corruption, they are
> ignoring, dodging our complains.
> I request pl. intervene and direct the Bank officials for conducting
> inquiry of Quetta and Barkhan without any delay and punish their employees
> to save the uct of beneficiaries.
>
>
> REGARDS
>
> Abdul Raoof Khan,
> Director Head Quarter BISP,
> Quetta, Balochistan.
> Cell No. 0345-8363587
> 0ffice: 0819211326- 0819211328
> FAX N0. 081 2472952
> --------------------------- Original Message ---------------------------
> Subject: Inquiry of BDC card of Bank Alfalah at Quetta
> From: "Mr Abdul Raoof Khan" <dirhq.bal@bisp.gov.pk>
> Date: Tue, March 31, 2015 5:49 pm
> To: shujaur@bankalfalah.com
> Cc: "bdc.ocr@bisp.gov.pk" <dg.ct@bisp.gov.pk>
>   ddfo@bisp.gov.pk
>   noor.rehman@bisp.gov.pk

:text/html;charset=utf-8,%3Ctable%20bgcolor%3D%22%23ffffff%22%20border%3D%220%22%20width%3D%22100%25%22%20cellsp

109

>   shakir.hussain@bisp.gov.pk
> --
>
> --
>
>   r,
> Assalam O Allaikum,
>
> please conduct an inquiry to find out the culprit of the attached
> documents regarding the complaint of beneficiary as documents are attached
> for ready reference.
> whoever has issued and activated the said BDC card while the beneficiary
> is denying to have received the card.
> your quick response will be highly appreciated.
>
> REGARDS
>
> Abdul Raoof Khan,
> Director Head Quarter BISP,
> Quetta, Balochistan.
> Cell No. 0345-8363587
> Office: 0819211326- 0819211328
> FAX NO. 081 2472952
>
>
> --
>
> _____
>
>
> "Please do not print this e-mail unless it is absolutely necessary."
> "This message (including any attachments) is confidential and may be
> privileged. If you have received it by mistake please notify the sender by
> return email and delete this message from your system. Any unauthorized
> use or dissemination of this message in whole or in part is strictly
> prohibited. Please note that emails are susceptible to change. Bank
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> any delay in its receipt or damage to your system. Bank Alfalah Limited
> neither guarantee that the integrity of this communication has been
> maintained nor that this communication is free of viruses, interceptions
> or interference."
>

a:text/html;charset=utf-8,%3Ctable%20bgcolor%3D%22%23######%22%20border%3D%220%22%20width%3D%22100%25%22%20cellspacing%3D%3

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Subject: [Success Story]
   From: "Mr Abdul Raoof Khan" <dirhq.bal@bisp.gov.pk>
   Date: Fri, May 15, 2015 3:34 pm
     To: secretary@bisp.gov.pk (less)
           dg.ct@bisp.gov.pk
           ddfo@bisp.gov.pk
           noor.rehman@bisp.gov.pk
           shakir.hussain@bisp.gov.pk
           bdc.ocr@bisp.gov.pk
     Cc: ozairsiddique@gmail.com
Priority: Normal
 Options: View Full Header | View Printable Version | Download this as a file

Dear sir
for your interest.

"Today, 15th May 2015, on the efforts BISP Balochistan Quetta Zonal office
and Regional Office a beneficiary, Gull Bibi, whose right was breached and
her rightful amount was embezzled against has been restored.

The culprit, Bank al Falah employee has been suspended from his job and
the amount embezzled by him of Gull Bibi has been paid to her by the bank
amounting to Rs. 19500.

BISP Balochistan is working diligently and are vigilant to better serve
our beneficiaries."

REGARDS

Abdul Raoof Khan,
Director Head Quarter BISP,
Quetta, Balochistan.
Cell No. 0345-8363587
Office: 0819211326- 0819211328
FAX N0. 081 2472952

Bank alfalah file

15/5/15

بخدمت جناب مینیجر صاحب (برانچ لیس بینکنگ)، بینک الفلاح، کراچی۔

عنوان: وصولیء رقم مبلغ -/19,500 روپے۔

جناب عالی!

مؤدبانہ گذارش ہے کہ میں نے اپنی ... رقم مبلغ -/19,500 ازاں جناب آفتاب احمد زوئل مینیجر (برانچ لیس بینکنگ) بینک الفلاح بلوچستان، کوئٹہ نقد کی صورت میں وصول کر لی ہے۔

لہٰذا جناب سے درخواست ہے کہ اس سلسلے میں میری دی ہوئی درخواست کو میں واپس لیتی ہوں، اور اس سلسلے میں مزید کارروائی نہ کرنے کا استدعا کرتی ہوں۔

جناب کی عین نوازش ہوگی۔

مورخہ 15/05/2015

العارض

گل بی بی زوجہ بورجان، شناختی کارڈ نمبر 5440174036564
پتہ: محلہ کلی عالم خان، ایئرپورٹ روڈ، کوئٹہ،
کوئٹہ۔ P.O. Box No. 373, G.P.O
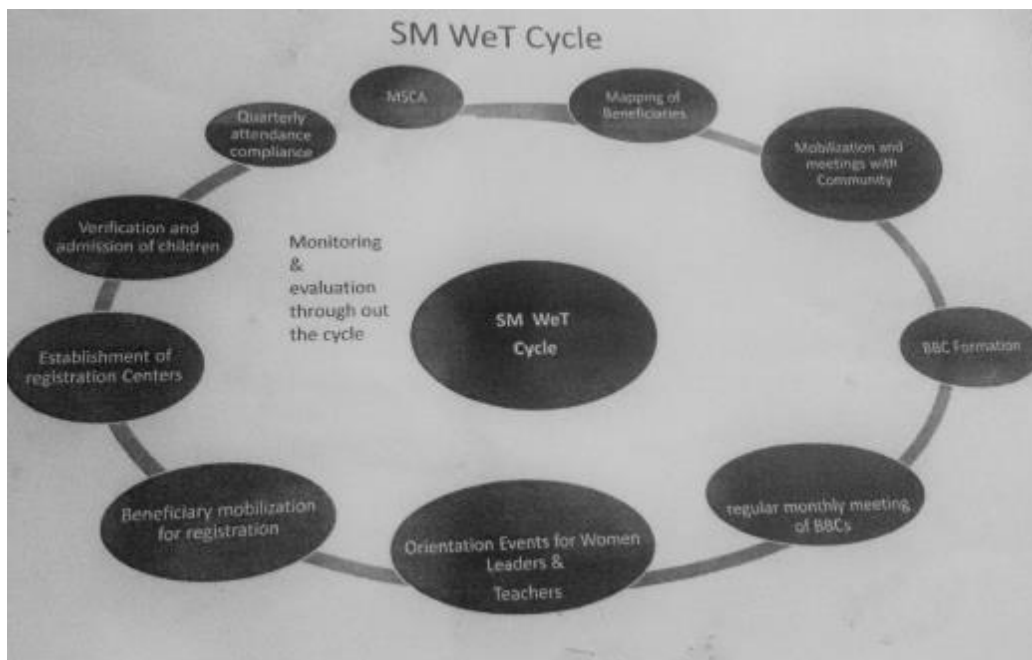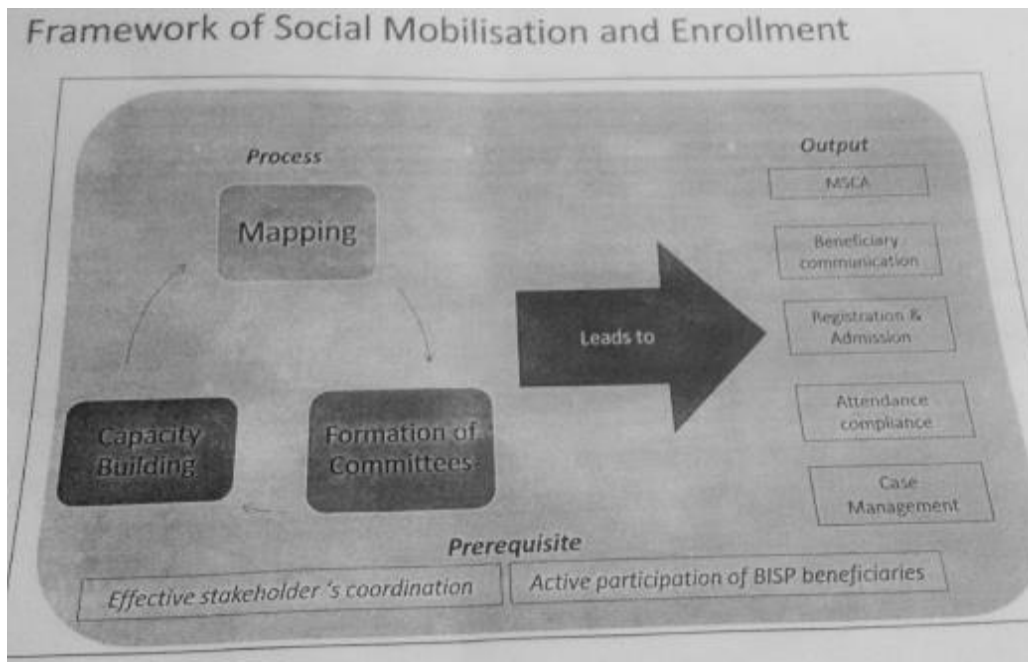موبائل نمبر: 03337851278

112

Annex-VIII: Mobilizing Agency Framework of Social Mobilization (WeT)

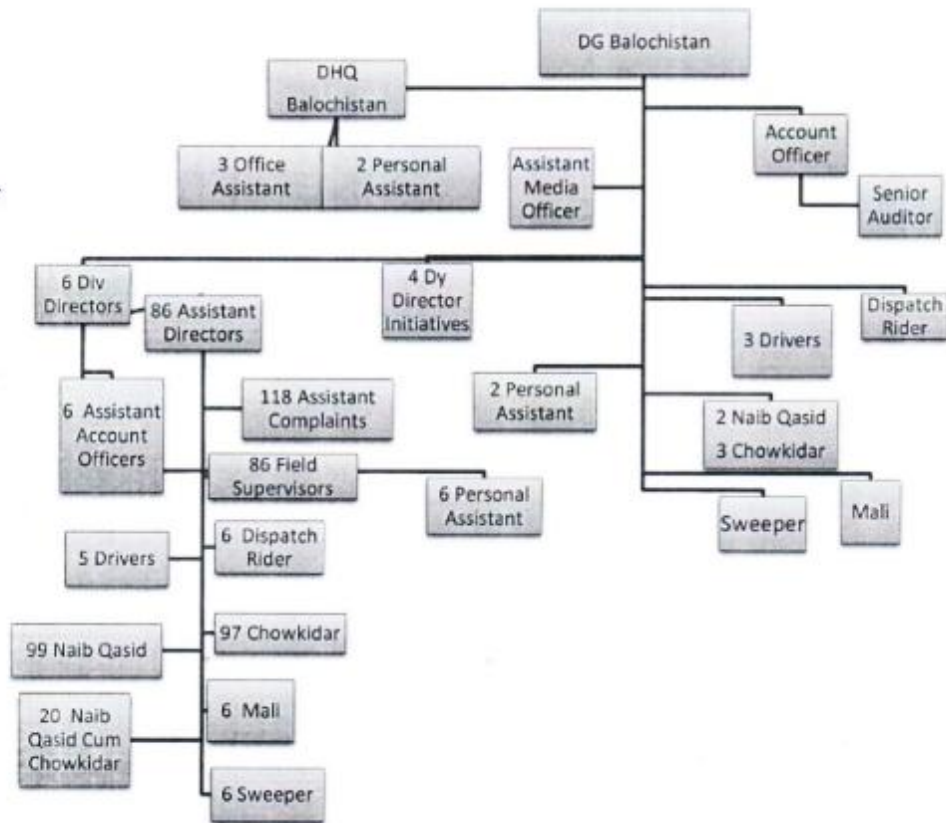Framework of Social Mobilisation and Enrollment

SM WeT Cycle

Annex IX: BISP Balochistan Beneficiary Data (As of June 13, 2016)

S.no	Division	District	Benf Active	BDC Issued	BDC Pending
1	Kalat	Awaran	1317	2	1315
		Kalat	7629	6603	1026
		Khuzdar	13486	0	13486
		Lasbela	24283	21729	2554
		Mastung	2,331	2	2329
		Washuk	2616	446	2170
		Kharan	3,881	3685	196
			55543	**32467**	**23076**
2	Zhob	Barkhan	6815	6378	437
		Killasaifullah	1840	698	1142
		Loralai	8525	7115	1410
		Musakhel	5104	2682	2422
		Sherani	3417	2034	1383
		Zhob	8295	6808	1487
			33996	**25715**	**8281**
3	Quetta	Chagai	5334	4454	880
		Nushki	3965	3701	264
		Pishin	13248	10506	2742
		Quetta	12818	9367	3451
		Chaman (K.Abdullah)	4642	2617	2025
		Killa Abdullah	3904	2707	1197
			43911	**33352**	**10559**
4	Sibi	Derabugti	4701	0	4701
		Harnai	2948	1789	1159
		Kohlu	1995	1026	969
		Sibbi	6638	6002	636
		Ziarat	4133	3449	684
			20415	**12266**	**8149**
5	Makran	Gawadar	9315	8306	1009
		Kech	15869	14128	1741
		Panjgur	1903	0	1903
			27087	**22434**	**4653**
6	Nasirabad	Jaffarabad	32218	29642	2576
		Jhalmagsi	4791	4243	548
		Kachhi	8299	6269	2030
		Nasirabad	13445	11351	2094
			58753	**51505**	**7248**
	Grand Total		*239705*	*177739*	*61966*

Source: BISP Divisional Office

114

Annex X: Structure of BISP Institutional Setup in Balochistan

Annex XI: Geographical Zones Div. Directorate Hyderabad, Sindh

Divisional Directorate HYDERABAD

HYDERABAD	MATIARI	T.M. KHAN	T. ALLAHYAR	JAMSHORO	BADIN	THATTA
Qasimabad	Matiari	Tando Muhammad Khan	Tando Allahyar	Kotri	Badin	Thatta
Hyderabad City	Hala	Bulri Shah Karim	Chambar	Sehwan	Talhar	Mirpur Sakro
Hyderabad Rural	Saeedabad	Tando Ghulam Hyder	Jhando Mari	Thana bula Khan	Tando Bago	Sujawal
Latifabad				Manjhand	Matli	Mirpur Bathoro
					Golarchi	Jati
						Shah Bandar
						Ghora Bari
						Kharo Chann
						Keti Bandar

Annex XII: Environmental and Social Risk Matrix

Environmental and Social Assessment and Action Plan Summary

Core Principle 1: Environmental and social management procedures and processes are designed to (a) avoid, minimize, or mitigate against adverse impacts; (b) promote environmental and social sustainability in program design; and (c) promote informed decision making relating to a program's environmental and social effects.			
Key Elements	**System Requirements**	**Key Findings**	**Recommendations**
1.1 Bank program procedures are backed by an adequate legal framework and regulatory authority to guide environmental and social impact assessments at the programmatic level	The current legal system of Pakistan supports the environment and social assessments of projects as a component of the EIA. The main act related to the environmental and social assessment in Pakistan is PEPA 1997) which is a fairly comprehensive legislation and provides a legislative framework for protection, conservation, rehabilitation and improvement of the environment. Other relevant document for the project is the BISP Act, 2010, Operation Manual of the program and Social Mobilization Manual 2014	The current legal system requires the environmental and social assessment of the projects involving construction activities. PEPA 1997 (amended 2012) will, therefore, not be applicable to this program. Pakistan national social protection programme is a pro poor program designed to benefit people living below a certain threshold of poverty as defined by PMT include mostly soft interventions and do not involve any construction activities. BISP Act, 2010 and Operation Manual of the project does not explicitly require the social assessment of the program. However, a social screening of the beneficiaries was conducted during the poverty survey in 2010 and will be repeated from 2016-2018. This assessment defines the baseline for the selection of beneficiaries using Proxy Means Test (PMT).	BISP will most likely benefit from a guiding document on multiple vulnerabilities that are currently preventing several could-be beneficiaries from accessing cash grants. Such a document should inform all other manuals, guidelines and campaign documents that BISP uses.
1.2. Incorporate recognized elements of environmental and social assessment good practice, including the following:			
1.2a Early screening of potential effects	This part of core principle will not be applicable for this program.		

1.2b Consideration of strategic, technical, and site alternatives (including the 'no action' alternative)	This part of core principle will not be applicable for this program.		
1.2c Explicit assessment of potential induced, cumulative, and transboundary impacts	This part of core principle will not be applicable for this program.		
1.2d Identification of measures to mitigate adverse environmental or social impacts that cannot be otherwise avoided or minimized	This part of core principle will not be applicable for this program.		
1.2e Clear articulation of institutional responsibilities and resources to support implementation of plans	The institutions responsibilities and resources are clearly defined in the BISP Act 2010 and in the OM of the Project. The Act and OM describes the governance of the programme through BISP Council, BISP Board, BISP Management and other institutional setup. Social Mobilization Manual outlines the mechanism to form and engage with local social structures, such as BBC BISP has five (5) implementation levels: Policy Level: Represented by the BISP Council and the BISP Board; National Level: BISP Headquarters, specifically the Operations Wing, executes operations at the national level; Provincial Level: 5 Provincial Offices ensure the implementation of the Programme in all provinces; Divisional Level: Over 30 Divisional Offices; and Tehsil Level: More than 400 Tehsil Offices are in charge of the field work and maintain direct contacts with beneficiaries (receiver women).	BISP is dedicated to address poverty by employing multiple social protection instruments designed to bring a sustainable positive change in the lives of those who are persistently excluded and deprived. However only three of these instruments are included in the Program (PforR).	More BISP staff should be deputed - to minimize the problems faced by beneficiaries. Intra and Inter departmental communication and information sharing should be improved. The working conditions should also be improved with appropriate logistics, facilities, and security/safety arrangements. Staff should be provided trainings that directly enhance their on job performance. A Social Unit// Social Engagement Team should be developed at the Federal and Provincial Levels mainly to focus on vulnerability and indigeneity. The specific mandate of this unit will be to reach out to improve and implement the policy and strategy of Social Mobilization, ensure engagement with vulnerable groups and IPs (if present in that province), develop and supervise mechanisms to undertake meaningful consultations, share information, provide facilitation to these groups to develop practical

			solutions to accessing the Program and limit rent-seeking, oversee community level trainings of these groups with the help of other relevant staff and other related tasks. .
1.**2f Responsiveness and accountability through stakeholder consultation, timely dissemination of program information, and through responsive grievance redress measures**	The requirements of the Public Information Campaigns is defined in Chapter-7 of OM of the Program covering overview of the contents and means for the massive public information campaign, during the national roll out of BISP-SN. It also describes the permanently on-going information campaign during the implementation of BISP-SN. Grievance Redress Mechanism is defined in Chapter 5 of operation manual. Case Management and Customer Services covers the handling of information updates for receiver women, handling of appeals and complaints on issues related to targeting, payment and quality of service and protocols to address specific situations. Complaints can be launched by registering a form at BISP tehsil office or temporary information center, or by telephone, internet or surface mail. CNIC is a prerequisite in all cases. Complaints can only be lodged vis-à-vis the eight predefined categories. Waseela-e Taleem related guidelines and public information campaigns are available. The Social Mobilization Manual includes instruments regarding case registration and follow-up etc. These instruments are used during meetings with BBC	A major concern identified during ESSA is regarding lack of consultation and information sharing within BISP. Consultation campaigns are usually conducted by the BISP for raising awareness among beneficiaries but this is not reported to be a periodic practice. The information about different aspects of BISP is being disseminated through newspapers, posters and other means. Lack of timely information sharing with the primary stakeholders i.e. the beneficiary women, and lack of awareness raising campaigns allow anxiety, distrust, conflict, fraud and corruption to emerge. BISP must lead and place emphasis on social mobilization as an overarching strategy for its programs. ESSA team visited areas where BISP has not hired any Social Mobilizing Coordinators and reliance on the mobilizing firm's district coordinator and social organizers is not proportionate to the actual role and responsibilities envisaged for the mobilizing firm. Sustained participation is difficult for vulnerable groups. Due to lack of confidence building measures between the government and its beneficiaries, a communication failure is taking place. BISP field staff suspects that while they remain busy in offices, the middlemen manage to have easy access to beneficiaries and feed them all sorts of rumors and misinformation regarding BISP. Regarding GRM, ccomplaints can only be lodged vis-à-vis the eight predefined categories which need to be made more flexible. The implementation process need to be improved. Qualitative findings indicate that some women have not	BISP will gain from improving stakeholder and public consultation and by making the process more inclusive in accordance with the requirements of OM. The information flow between the Headquarters in Islamabad and the field offices can be improved. BISP staff is advised to take ownership of the social mobilization process so that it can directly monitor the expected benefits of such a commitment and program design. Organizations who engage directly with people with special needs should be consulted and accordingly tools for dissemination of program information should be developed. The strength and capacity of the staff need to be increased for effective implementation of the Case Management System. BISP would benefit from an assessment of its GRM process and procedure. On the beneficiary side, it must conduct a user satisfaction survey to understand what problems are faced in accessing the system and how to make the process more user friendly. On the supply side, improved IT procedures may need to be implemented. Wide ranging confidence building measure should be introduced. It is not

| | | received payments and or have had trouble getting pending payments re-credited to their accounts. Their grievances may date back to several months to a year and a half. According to standard procedures BISP grievance redress should be completed within eight days in cases where payment has not been received; eight days where the issues is that of partial payment and; fifteen days where the beneficiary has not received two consecutive payments

In any case beneficiary lack of awareness regarding GRM is a serious issue. In the past mobilizing agencies have overlooked the need to inform beneficiaries about the method and significance of proper complaint registration. This delay about grievance registration and redress must be addressed and the process must be made truly inclusive.

Finally, underequipped BISP offices affect operationalizing GRM. On the other hand an underequipped office gives rise to complaint registration and monitoring issues. | enough to inform beneficiaries to remain vigilant to fraudsters and fraudulent messages. It is very important to convince beneficiaries to trust BISP foremost |

Core Principle 2: Environmental and social management procedures and processes are designed to avoid, minimize, and mitigate against adverse effects on natural habitats and physical cultural resources resulting from the program.

Key Elements	System Requirements	Key Findings	Recommendations
This core principle is not applicable as there are no physical works that can impact Physical Cultural Resources.			

Core Principle 3: Program procedures ensure adequate measures to protect public and worker safety against the potential risks associated with (a) construction and/or operations of facilities or other operational practices developed or promoted under the program and (b) exposure to toxic chemicals, hazardous wastes, and otherwise dangerous materials.

Key Elements	System Requirements	Key Findings	Recommendations
This core principle is not applicable as there are no physical works that can involve risks to public and worker safety.			

Core Principle 4: Land acquisition and loss of access to natural resources are managed in a way that avoids or minimizes displacement, and affected people are assisted in improving, or at least restoring, their livelihoods and living standards.

Key Elements	System Requirements	Key Findings	Recommendations
This core principal is not applicable as there are physical works which may involve land acquisition.			

Core Principle 5: Due consideration is given to cultural appropriateness of, and equitable access to, program benefits, giving special attention to rights and interests of indigenous peoples and to the needs or concerns of vulnerable groups.			
Key Elements	**System Requirements**	**Key Findings**	**Recommendations**
Undertakes free, prior, and informed consultations if indigenous peoples are potentially affected (positively or negatively) to determine whether there is broad community support for the program.	The Bank has provided a clear definition of indigenous peoples. According to this definition, indigenous peoples are only found in Kalash valleys, Chitral and these are included in the program. The Public Information Campaigns are designed to increase the awareness on the BISP-SN, its target group, benefits and main features. It is also envisaged to promote public understanding for the Targeting survey and to encourage the participation of the population in the survey. The ongoing campaign is designed to target different audiences, among which the most important are: ▪ Specific groups of the Pakistani society such as existing beneficiaries and poor segments of the population that might be interested in participating in the Programme; ▪ Stakeholders of the programme like GoP and its various entities; BISP Operations Wing; Other stakeholders such as NADRA, DEOs, POs and Payment Agency ▪ Other organizations or persons interested in BISP safety nets (international organizations, potential donors and media	The design of public information campaigns is targeted to ensure non-discriminatory participation of the poor in the program. However, it does not include any specific SOP to ensure inclusion of the indigenous people in the public information campaigns.	BISP must improve stakeholder and public consultation to make the process more inclusive of IPs. Specialized guidelines must be developed for IPs and made part of the OM. These guidelines should be adopted for further planning and conducting meaningful consultations.
Ensures that indigenous peoples can participate in devising opportunities to benefit from exploitation of customary resources or indigenous knowledge, the latter (indigenous knowledge) to include the consent of the indigenous peoples.	Although the program has non-discriminatory nature, it does not ensure inclusivity of indigenous groups and does it adopt any specific measures to reach out to the most them during the design of the program. There is no clear reference in the OM for the indigenous people	The ESSA team provided specialized attention and took particular interest in visiting the three Kalash valleys in Chitral; meeting and intermingling with the Kalash people and gathering information from them about their cultural traditions and values – all with the objective to understand how BISP could be made more relevant and useful for the IPs who have special rights. Kalash have a peculiar and distinct understanding of poverty that do not place emphasis on income or lack of it, along with asset ownership or lack of it. Kalash own livestock as well as mountain lodges. Among the Kalash, day to day expense is mostly borne through	ESSA recommends for BISP to develop a guidance framework that enables them to provide attention to the Indigenous People (Kalash communities in Birir, Rumbur, and Bumburet). Local stakeholders advocate in favour of a conscious political decision that allows BISP registration of all IP women (according to an estimate, a mere 2,500) irrespective of poverty scores. Considering that IPs have special rights ESSA also recommends Kalash inclusivity in BISP system as a special

| | | interpersonal loans, menial labour or sale of an otherwise costly item (such as a walnut tree) for a cheap price. This also happens when the BISP payment is delayed and community is forced to sell their assets at a very nominal price. This shows the importance of 'regular' payments and that how a missed payment (or even a delay in payment caused by a natural disaster creating accessibility and mobility issues) affects Kalash community assets. Kalash community usually keep their livestock for sacrifice for different rituals and not for generating income.

Basic needs (such as food, boarding/lodging) and relaxation/destressing psychological needs (such as watching television) are distinct, equally important, and neither of the two needs takes precedence over the other.

Very few IPs (around 3 to 4%) are BISP beneficiaries and majority were left outside the scope due to high PMT scores. On the contrary field evidence shows that poverty conditions in these valleys are extreme. The large group of non-beneficiaries include several vulnerable women; few widows and disabled. The role of middle man is not a problem in this area. The accessibility is an issue due to dilapidated road conditions and sometimes due to weak health conditions. Social conflicts are not an issue in these valleys. | case. In case otherwise, ESSA suggests a pilot testing of NSER in Kalash Valleys. It is also recommended to involve locals during the surveys who can speak local language and have a good understanding of the area. These recommendations have been discussed with all key local stakeholders, public and private, all of whom agreed |
| **Gives attention to groups vulnerable to hardship or disadvantage, including, as relevant, the poor, the disabled, women and children, the elderly, or marginalized ethnic groups. If necessary, special measures are taken to promote equitable access to program benefits**. | There is no clear reference and guidelines related to the vulnerable people in BISP Act and OM.

The eligibility of families for participation in the program is determined on the basis of PMT score. The model includes 23 indicators that fall under the following broad categories:

▪ Household and individual characteristics
▪ Ownership of durable goods and housing characteristics
▪ Ownership of productive assets, especially land | The provisions of the program are non-discriminatory and no significant aspects of the program leads to discrimination against minorities, certain women or age groups, nomads, disabled etc. Although the non-discriminatory nature is clear – the program does not ensure inclusivity of vulnerable groups and neither does it adopt any specific measures to reach out to the most marginalized.

In PIC under Waseela e Taleem, there are no specific measure adopted for meeting the specific needs and concerns of the vulnerable and disadvantaged. | Design must include SOPs to facilitate inclusivity of the vulnerable groups including elderly women, widows, disabled etc.

There is need to establish a Social Unit/ Social Engagement Teamthat will facilitate the vulnerable groups. This should be embedded in the institutional arrangements of the BISP.

Public information campaigns, for |

	holding, livestock and farm equipment. The above indicators are strongly related to the poverty status of any family and thus represent an indirect relationship with the vulnerable groups. The law related to the sexual harassment is in place but its implementation is limited.	Several cases confirm that vulnerable people can be left outside the ambit of the program unless directly focused. Widows, elderly women, disabled and those who are caregivers to disabled often miss out on important information regarding BISP activities. In fact, they are quite often the last to discover. Beneficiaries among them face difficulty in accessing and using BISP services. Those vulnerable often move from place to place for livelihood or for basic survival. It is difficult to help such mobile populations as BISP procedures currently in place find this complicated. In other words, displacement related issues get compounded by lack of flexibility within system. There are no guidelines or SOP to facilitate these vulnerable sections of society.	example those regarding WeT, must specifically address guardians of children with learning and physical disabilities. For this purpose, relevant organizations with expertise in engaging with children with special needs should be engaged. Social mobilization instruments annexed in the manual (2014) should be improved to indicate and monitor representation of vulnerable individuals. BBC representative elections should convey to the community "*BISP encourages voters to consider eligible candidates from vulnerable groups with leadership potential and/or those who have a reputation of interacting often and favourably with such section of the community.* For mobile population, technology alternatives, and/or more flexible bureaucratic processes are recommended where 'vulnerable-first' approach is declared and adopted. Simultaneously BISP must proactively engage with NADRA, the country's Registration Authority, and agencies with direct experience of registering mobile populations and develop a mechanism that allows mobile communities and individuals to be recorded, verified and updated according to their lived reality.

Core Principle 6: Avoid exacerbating social conflict, especially in fragile states, post-conflict areas, or areas subject to territorial disputes.			
Key Elements	**System Requirements**	**Key Findings**	**Recommendations**
Considers conflict risks, including distributional equity and cultural sensitivities	Local-level cultural and sensitivity issues are covered under requirements of environmental assessments especially in projects financed by the Bank and other multilateral and bilateral institutions.	ESSA assessment shows that there is no overt social conflict as a result of Program interventions. However, due to shortage of human resource the work environment often leads to two major form of social tension and friction(i) hostile and aggressive behavior towards BISP staff and apathetic behavior from BISP staff towards beneficiaries (ii) inter-agency resentment, misplaced expectations and coordination issues. ESSA field consultations show that at times BISP staff face hostile and aggressive behavior from beneficiaries during office hours. In part, this can be traced to weaknesses in BISP's own strategy, management and monitoring, for example, that of social mobilization process that has caused a disconnect between BISP, the institution, and its beneficiaries. BISP staff does not have the capacity or institutional cover, safeguards to protect themselves against crime, conflict and violence. Male field supervisors reported that culturally sensitive matters such as *pardah* may give rise to resentment among some people who get upset if BISP tries to access their women Lack of beneficiary identification on BDC may lead to interpersonal and family differences. Social conflicts were not reported to be an issue in the three IP valleys.	For ESSA the best remedy is to address system flaws and minimize operational space for third entity/middlemen so that the system itself become fraud/corruption proof and BISP staff does not need to tackle or endanger themselves by confronting the third entity and getting involved in lawsuits. Redesigning of the BDCs showing a clear identification of the beneficiary like, name, picture etc. BISP must design Crowd/Mass Management Rules & Regulation, and Manual BISP field staff expressed their need to acquire training in crowd management. It is equally important to design and clearly display Safety Guidelines in BISP offices.

Annex XIV: Newspaper Clipping Showing the Announcement of Helpline in Balochistan

Annex-XV: Social Protection Vocabulary Used in Govt. Documents- An Overview

Use of Social Protection Vocabulary by Government of Pakistan. Social Safety Net Programs (SSNPs) play a key role to protect poor households from poverty and vulnerability. The motive is to attenuate the degree of poverty. It is through BISP, Pakistan Bait-ulMaal, Zakat, Employees Old Age Benefit Institution (EOBI) and Workers Welfare Fund (WWF) that the government of Pakistan provides social safety nets to its citizens. Several government documents in the past and present have used Social Protection vocabulary. Aoverview is provided underneath:

Vocabulary	**Usage and Reference**
Marginalization	▪ Inclusion of marginalized children (PRSP-II. P. 164) ▪ Rural girls with disabilities are doubly discriminated against (PRSP-II. P. 164) ▪ Marginalized groups are in rural areas (PRSP-II p. 237 & 262) ▪ *the word marginalized is mentioned eleven times in PRSP-II but is left undefined
Vulnerable	▪ Tribal areas are vulnerable to criminals and extremists (PRSP-II. P.99) ▪ *PRSP-II has a chapter on "poor & vulnerable" and the word vulnerable has been used 89 times. ▪ "Vulnerable and poor households are those that tend to lack access to jobs, savings, assets, insurance, institutional credit, assistance options and may resort to desperate measures to cope with chronic stress, shock with tragic outcomes". Mostly intergenerational trap of poverty keeps them vulnerable (PRSP –II p.47). ▪ Vulnerable groups: People with Disabilities; child laborers; children at risk of trafficking, bonded laborers, and disaster affected (PRSP –II, p.67) ▪ Vulnerable are youth dropouts; adult workers; street children; unemployed; sick (PRSP-II, p.67-68) ▪ Earthquake Reconstruction and Rehabilitation Authority (ERRA) conducted a Targeted Vulnerability Survey (TVS) spending rupee forty million, mainly to identify vulnerable population in earthquake affected areas e.g. NWFP ▪ ERRA identifies vulnerable groups as: ▪ Orphans; female headed households; People with disabilities; and the elderly ▪ Reduction to vulnerability to natural disaster and improvement in the life of squatter dwellers (ERRA) ▪ Vulnerable population is mainly women and children in rural areas (ERRA) ▪ Vulnerable populations are those who live in areas where incidence of poverty is highest (ERRA)
Social Protection	PRSP-II has a section on National Social Protection Strategy (NSPS) and it has been noted that the strategy is consistent with PRSP, MTDF and Vision 2030
Poor	Poverty categories as defined in PRSP-II (2008-09) – are as under. These continue to be followed. ▪ Extremely poor (50% poverty line or less) ▪ Ultra-poor (50% - 75%) ▪ Poor (75%-100%) ▪ Vulnerable (100%- 125%) ▪ Quasi Non-Poor (125%-200%) ▪ Non- poor (200% or above)

Log of Selected Photographs

Picture-1: Hindu beneficiary family in Shanti Nagar-1, Quetta

Picture-2: Snapshot of receipt of family receiving the cash grant through Pakistan Post. This was discontinued as BDC was not issued due to information mismatch.

Picture 3: Consultation at Shanti Nagar, Quetta with beneficiaries

Picture 4: Interview with a beneficiary Christian family residing in railway colony, Quetta

Pictures5&6: Biometric issue of women involved in embroidery work, Matiari and Umerkot Sind

Pictures7&8: Biometric issue due to skin disease, Qasimabad, Hyderabad- Sindh
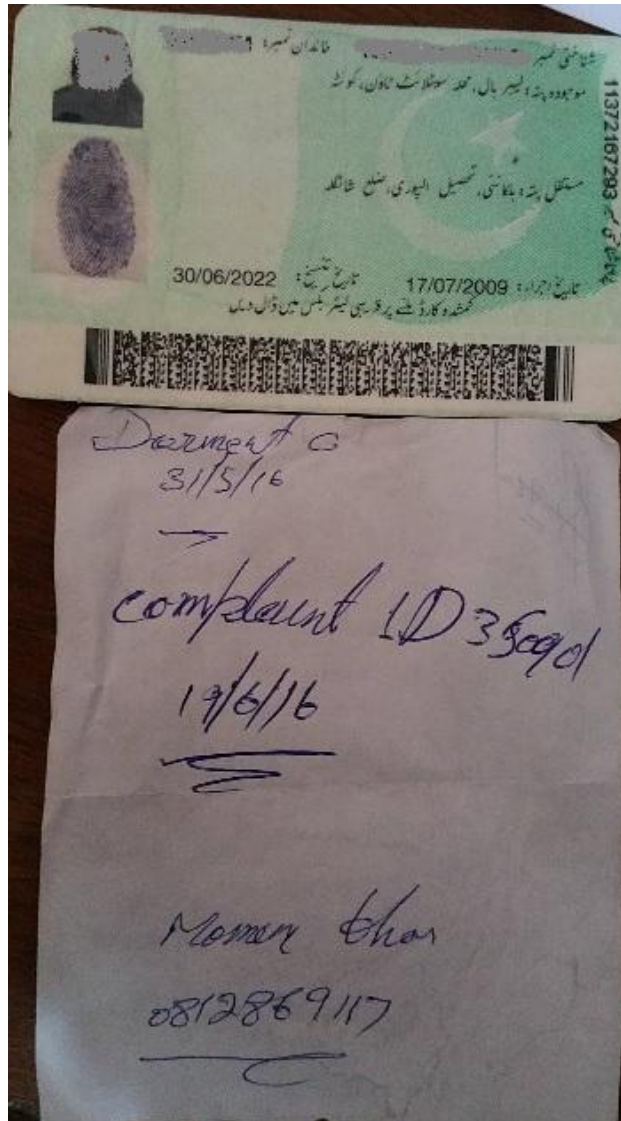
131

Picture 9: An old woman in Quetta having health problem rendering her unable to walk long distances.

Picture 10: Focus Group Discussion with beneficiaries in BISP office, Quetta

Picture 11: Sample complaint receipt issued to a beneficiary (complaint is still to be resolved)
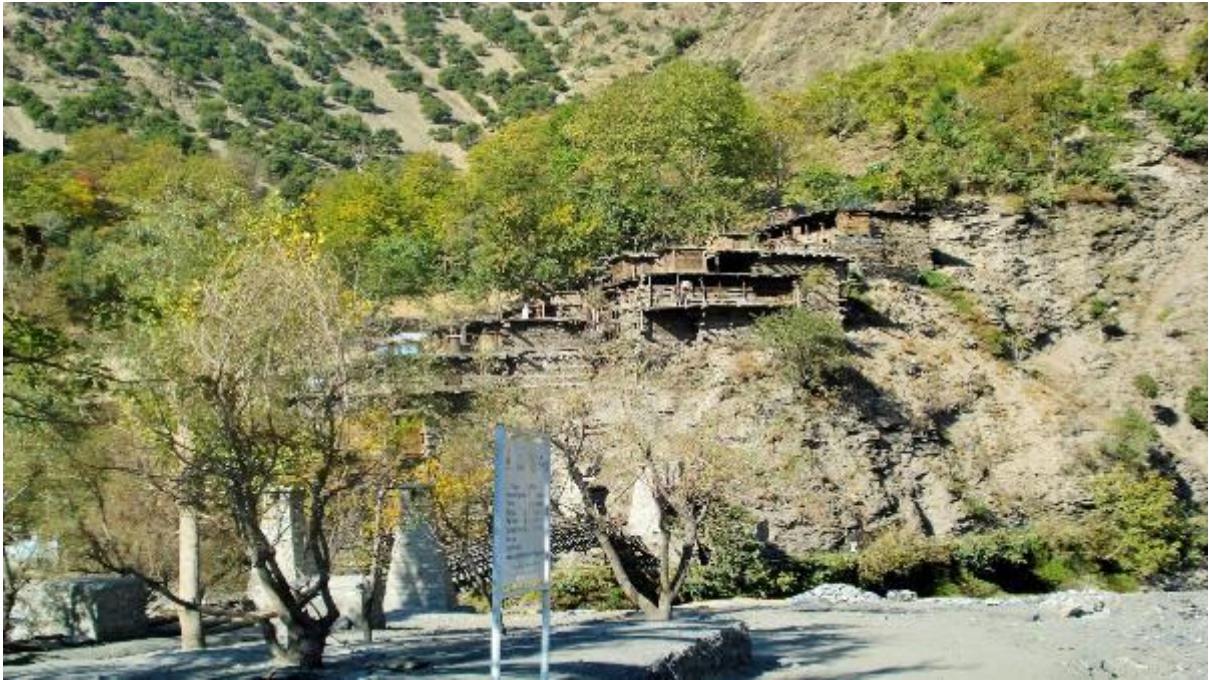
Picture-12: Road condition from Birir to Chitral

Picture-13 Deteriorated road infrastructure making accessibility difficult from Birir valley to Chitral City

Picture-14: Typical wooden housing structure in Kalasha valley

Picture-15: A typical Kalasha woman in Birir valley

Picture-16: Consultation with Kalasha women community in Rumbur valley

Picture-17: Consultation with Kalasha (non-beneficiaries) in Bumburet valley