

**Evolution of National  
Targeting System  
in Pakistan:  
*The Poverty Scorecard***

**Presented by  
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# Evolution of National Targeting System- I

- **The concept of “targeting systems” remained relevant for a variety of social protection programs such as:**
  - Cash Transfers (Bait-ul Mal and Zakat);
  - School Feeding Programs (Tawana Pakistan);
  - Workfare (Khusal Pakistan );
  - Employment-related Benefits and Microfinance (NGOs); and
  - Post-disaster Relief (cash transfer in earthquake affected areas)
- **Various Methodologies Employed such as:**
  - Beneficiaries Identification through local notables (Zakat and Bait-ul-Mal);
  - Community Wealth Ranking (NGOs);
  - Categorical Targeting (Cash Transfers post-disaster); and
  - Self-targeting (workfare)

## Evolution of National Targeting System- II

- **At that time, no systematic evaluation of systems' performance existed, however, a rapid assessment was undertaken which suggests that:**
  - Higher degree of variance in implementation and effectiveness..., and
  - ..., in general, most systems exhibit high exclusion and inclusion errors as well as poor administration and monitoring
- **Consideration of Proxy Means Test based Targeting System (NSPS-2007)**

# Overview of Targeting Experiences (I)

- **Self-targeting**

- Micro-finance and workfare
- Performance
  - Adequate consideration for design (conditional on selection of targeting parameters)
  - Reasonable implementation though at small scale
  - Medium effectiveness
- **Limitation:** Not all programs are amenable to self-targeting

- **Community Wealth Ranking**

- Rural Support Programs (NGOs)
- Performance
  - Descent design concept
  - High level of subjectivity in implementation/selection process
  - High/medium effectiveness
- **Limitation:** Lack of spatial comparability and high intensity in human resource (i.e. best suited for programs with limited coverage areas)

# Overview of Targeting Experiences (II)

- **Geographic Targeting**

- Tawana Pakistan (school feeding program)
- Performance
  - Good design
  - Poor implementation due to inadequate/outdated data/information used for targeting purposes
  - Medium effectiveness
- **Limitation:** Lack of up-to-date poverty or welfare map

- **Geographic-Administrative (Quota + selection committee)**

- Cash transfers (Zakat and Bait-ul-Mal)
- Performance
  - Poor design (lack of clear eligibility criteria)
  - Risk of capture/politicization
  - Low effectiveness (high inclusion/exclusion errors)
- **Limitation:** Political bias by various administrations

# Key Lessons

- **Weak Design**
  - Vague definition of eligibility criteria
  - Non-comparability across space
- **Poor Implementation**
  - Data collection
  - Data management (MIS)
  - Verification
- **Risk of Politicization/Elite Capture**
- **Weak M&E Mechanisms**
  - Public disclosure
  - Appeals and grievance redressal

# Towards The National Targeting System: The Poverty Scorecard

## ► Announcement of BISP as:

- Cash Transfers aimed at cushioning the effects of food and fuel price inflation on the poor in Pakistan (20 % population)- **short term**
- A social platform to provide a combination of poverty exit/graduation programs as provided in the manifesto of ruling party- **medium term**

## ► Available Options on Targeting System

- Existing safety net programs (i.e. PBM, Zakat)
- NADRA database
- RSPs database
- Parliamentarians - as adopted by one of the provinces (Punjab)
- PMT (Poverty Scorecard) through a national survey

## Contd...

- ▶ Need of rapid rollout and political compulsions favored the “parliamentarian” based selection....., however

- ▶ Program objectives and consultation amongst the key stakeholders (Govt+CSOs) paved the way for adoption of PMT/Poverty Scorecard as the National Targeting System



# Targeting Phase-I

## **Targeting through Parliamentarians (Started: Oct 2008)**

- Each MNA/Senator/MPA: 8000/8000/1000 Forms
- Total forms distributed: 4.2 Million
- Filled forms received: 3.3 Million
- Screening criteria applied by NADRA
- Accepted Forms: 2.24 Million
- Phase-I Targeting stopped: April 2009
- Payments to Phase-I started: January 2009
- Bulk of Payments to Phase-I stopped on: 30<sup>th</sup> June 2011
- UCT disbursed to Phase-I beneficiaries: Rs. 64.5 Billion

# Eligibility Criteria (Phase- I)

## ➤ Inclusion Criteria

- ✓ Possession of CNIC by female applicant/ recipient.
- ✓ Monthly family income is less than Rs.6000/

## ➤ Exclusion Criteria

- Where any of the members of the family is
  - In employment of government/ semi-government
  - Receiving income support from any other source like Punjab Food Support Scheme etc.
- Where any of the members of the family
  - Possesses a Machine Readable Passport
  - Possesses a National Identity Card for Overseas Pakistanis
  - Possesses a Foreign Bank Account

# What is a Poverty Scorecard ?

- ▶ **A poverty scorecard uses a set of variables to identify/predict the household welfare status - essentially a Proxy Means Test**
- ▶ **Assigns a “score” to every household, based on information collected from the household for all variables that are included in the PMT formula**
- ▶ **Principles of proxy variables:**
  - Simple yet predict poverty with some accuracy
  - Each question should be easily observable and measurable
  - Minimize misreporting by households
- ▶ **The total score is a proxy of the welfare status – Lower the score, poorer the household is considered to be**

# How Poverty Scorecard was Developed?

- ▶ **First generated using Pakistan Social and Living Standard Measurement Survey (PSLM 2005-2006)**
  - No single question carries too large a weight
  - High coverage of the bottom two deciles
- ▶ **Updated using PSLM 2007-2008 data**
- ▶ **There is no major change in the indicator weights and targeting performance between the two**

# Targeting Phase-II

## Targeting through Poverty Scorecard Survey

- PMT based questionnaire designed in Urdu in collaboration with the World Bank
- PMT cut-off score: 16.17
- Pilot launched in 16 districts in May - Dec 2009
- National rollout of survey launched in Dec 2010
- Partner Organizations (RSPN, PPAF, AASR, AHLN, FINCON) hired through open tender (except PCO for Baluchistan)

# Contd...

- Door to door survey of entire country
- Data entry, verification & PMT calculation done by NADRA
- Survey completed: June 2012
- 27 M HHs (155 M population) surveyed
- GPS reading of most of the HHs obtained (except Baluchistan & 16 pilot districts)
- Potentially eligible families: 7.7 million
- First Payment to Phase-II beneficiaries made: April,2010

# Calculation of PMT Score

PMT score calculated by considering the following variable:

- ✓ Education level of the household
- ✓ Quantity of rooms correlates with number of people living
- ✓ Number of dependent living in household (less than 18 and more than 65 years)
- ✓ Type of toilet used in the household
- ✓ Electronic Appliances
- ✓ Livestock
- ✓ Cooking Appliances
- ✓ Vehicle ownership
- ✓ Land owned by Household

# Additional Data Collected

- Following Additional Data about each and every member of the household was collected during the survey:
  - ✓ Data on disability
  - ✓ Data on employment status
  - ✓ Data on education
  - ✓ Data on Age, Marital Status and Gender
  - ✓ Data on Possession of CNIC ( above 18 years)

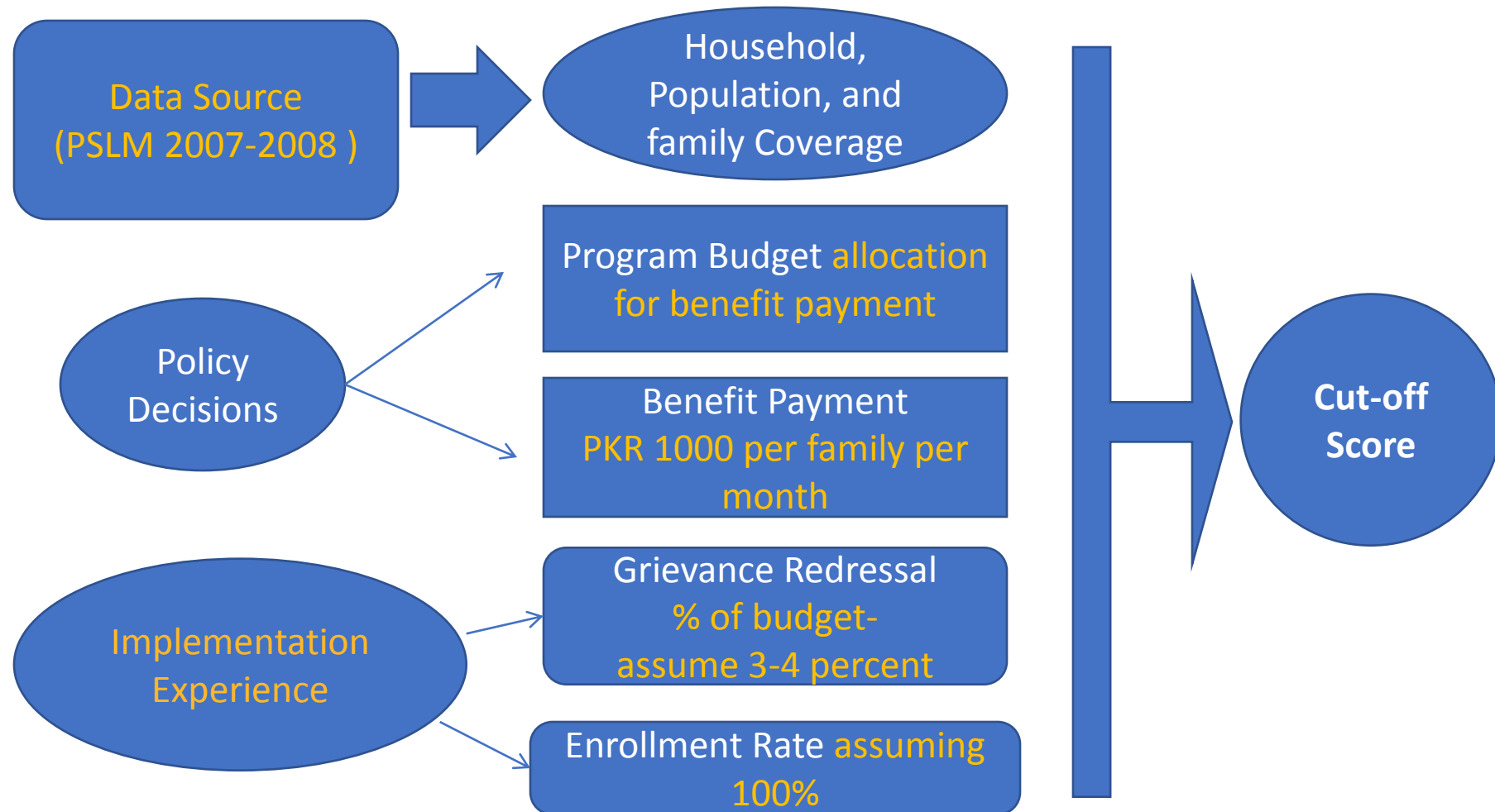


# The Pakistan Poverty Scorecard

Indicators				
How many people in the household are under the age of 18 or over the age of 65?	0-2 <input type="checkbox"/> 15	3-4 <input type="checkbox"/> 10	5-6 <input type="checkbox"/> 5	7 or more <input type="checkbox"/> 0
What is the highest educational level of the head of the household (completed)?	Never attended school <input type="checkbox"/> 0	Less than class 1 to class 5 included <input type="checkbox"/> 1	Class 6 to class 10 included <input type="checkbox"/> 3	Class 11, college or beyond <input type="checkbox"/> 10
How many children in the household between 5 and 16 years old are currently attending school?	There are no children between 5 and 16 years old in the household <input type="checkbox"/> 4	All the children between 5 and 16 years old are attending school <input type="checkbox"/> 4	Only some of the children between 5 and 16 years old are attending school <input type="checkbox"/> 3	None of the children between 5 and 16 years old are attending school <input type="checkbox"/> 0
How many rooms per person does the household owns? (calculate the room per person ratio by dividing the number of rooms by the household members)	$\geq 0 - \leq 0.2$ <input type="checkbox"/> 0	$> 0.2 - \leq 0.3$ <input type="checkbox"/> 2	$> 0.3 - \leq 0.4$ <input type="checkbox"/> 4	$> 0.4$ <input type="checkbox"/> 12
What kind of toilet is used by the household?	Flush connected to a public sewerage, to a pit or to an open drain <input type="checkbox"/> 3	Dry raised latrine or dry pit latrine <input type="checkbox"/> 2	There is no toilet in the household <input type="checkbox"/> 0	
Does the household own at least one refrigerator, freezer or washing machine?	Yes <input type="checkbox"/> 3	No <input type="checkbox"/> 0		
Does the household own at least one air conditioner, air cooler, geyser or heater?	Yes <input type="checkbox"/> 9	No <input type="checkbox"/> 0		
Does the household own at least one cooking stove, cooking range or microwave oven?	Yes <input type="checkbox"/> 5	No <input type="checkbox"/> 0		
Does the household own the following engine driven vehicles...?	At least one car / tractor and at least one motorcycle / scooter <input type="checkbox"/> 24	At least one car / tractor but no motorcycle / scooter <input type="checkbox"/> 24	No car / tractor but at least one motorcycle / scooter <input type="checkbox"/> 7	Neither car / tractor NOR motorcycle / scooter <input type="checkbox"/> 0
Does the household own at least one tv?	Yes <input type="checkbox"/> 2	No <input type="checkbox"/> 0		
Does the household own the following livestock...?	At least one buffalo / bullock AND at least one cow / goat / sheep <input type="checkbox"/> 6	At least one buffalo / bullock BUT NO cow / goat / sheep <input type="checkbox"/> 6	No buffalo / bullock BUT at least one cow / goat / sheep <input type="checkbox"/> 2	Neither buffalo / bullock NOR cow / goat / sheep <input type="checkbox"/> 0
How much <u>agricultural</u> land does the household own? (converted into <u>acres</u> )	0 <input type="checkbox"/> 0	$> 0 - \leq 12.5$ <input type="checkbox"/> 4	$> 12.5$ <input type="checkbox"/> 7	



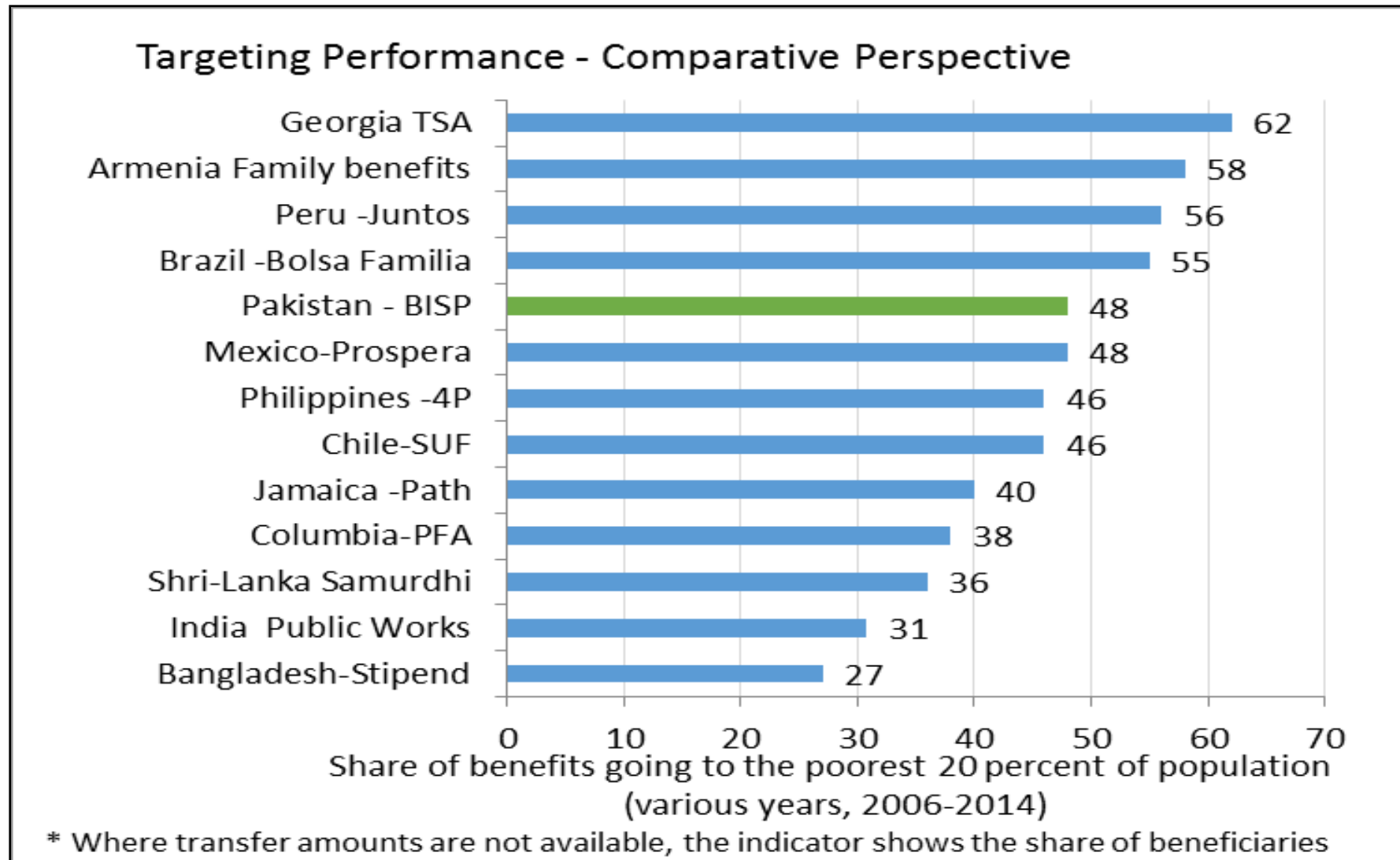
# Determinants of cut-off score



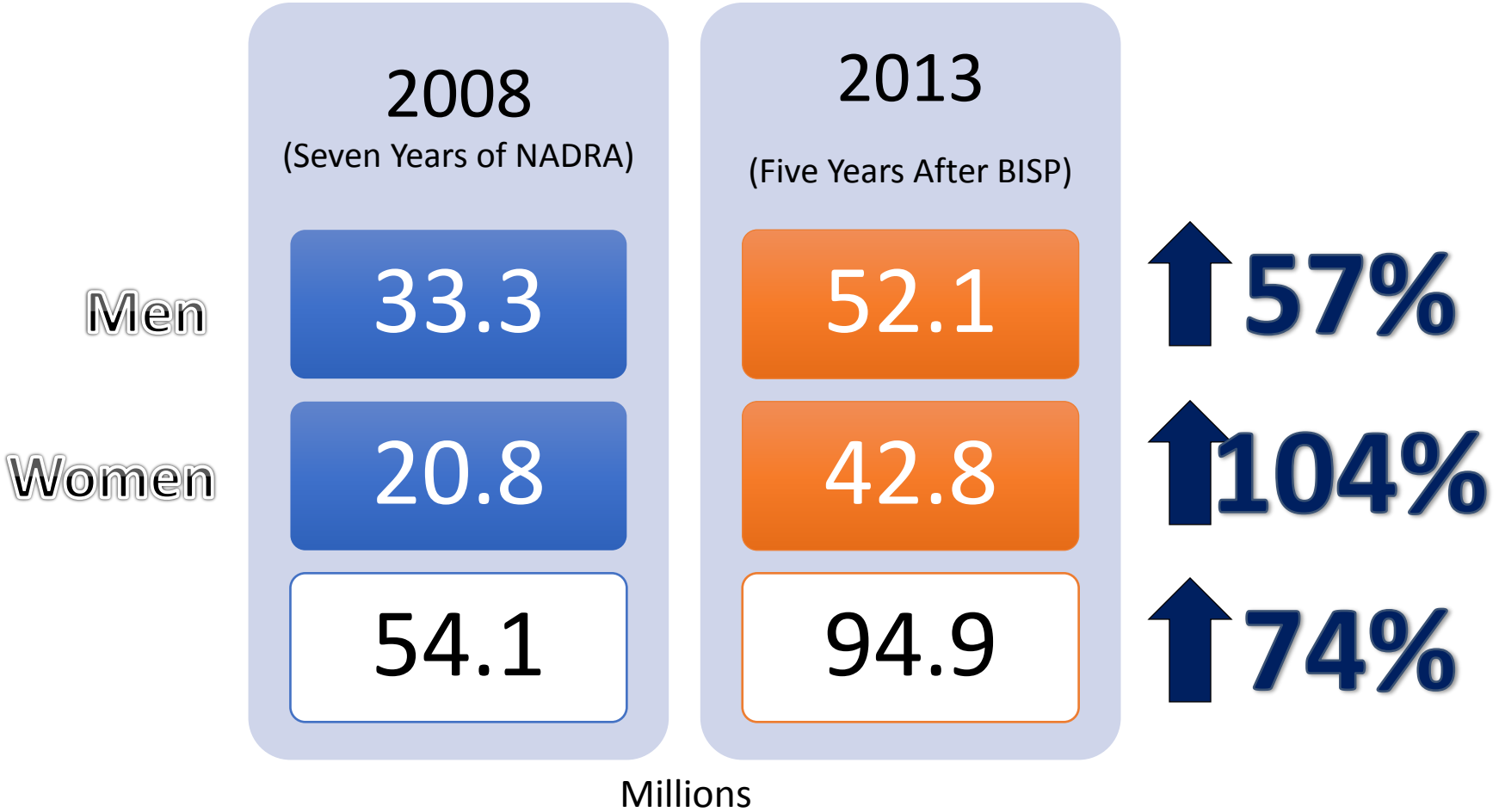
# Region Wise Beneficiaries

<b>Region</b>	<b>Active Beneficiaries</b>	<b>Pending</b>	<b>Total</b>
AJK	105,839	16,444	122,283
Baluchistan	240,278	210,299	450,577
Islamabad /FATA	168,980	74,402	243,382
Gilgit Baltistan	48,104	6,854	54,958
KPK	1,156,902	255,964	1,412,866
Punjab	2,055,524	739,424	2,794,948
Sindh	1,937,483	809,010	2,746,493
<b>Grand Total</b>	<b>5,713,110</b>	<b>2,112,397</b>	<b>7,825,507</b>

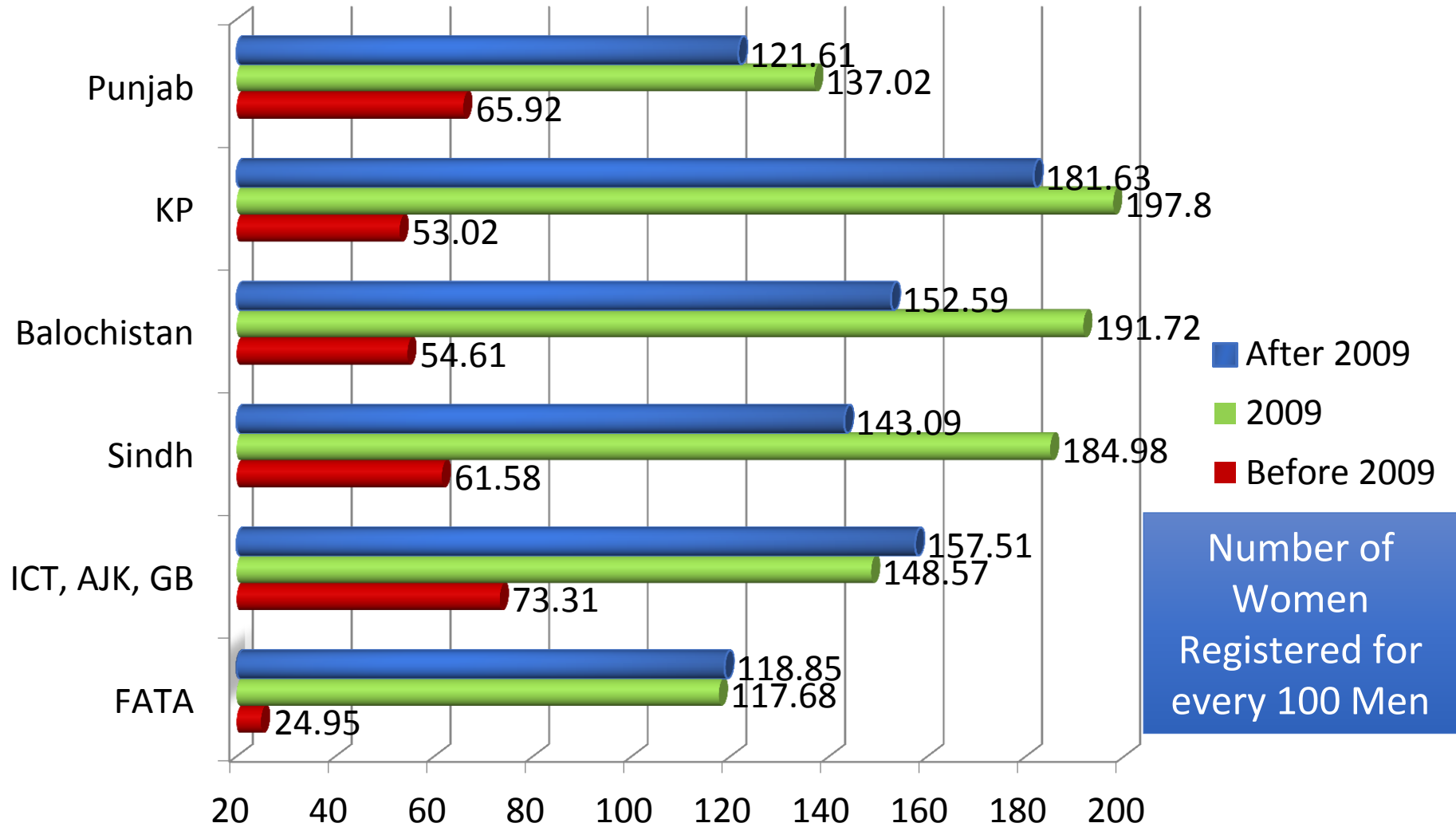
# Targeting Performance of BISP



# Women Registration: Women Empowerment



# Enhancement in Women Registration



# Third Party Evaluations of Targeting Survey

- Survey covered 87.8% of the country's population;
- Difference in Poverty Score is 1.82%;
- 85% of the processes have been followed during the survey;
- Community was also engaged during the process;
- Established government presence in areas where it was not present earlier i.e., FATA;
- Capacity building of local community based organizations and local communities;



***Thank You***