



BISP Policy Brief

BISP's Impact on Vulnerable People's Livelihood: Evidence from Impact Evaluation Report

Introduction

The BISP is the main social assistance programme in Pakistan and one of the largest in South Asia, serving more than 5 million beneficiaries. The Government of Pakistan launched the BISP in 2008 as its flagship national social safety net initiative, with the prime objectives: to cushion the adverse impact of the food, fuel and financial crisis on the poor at that time; and a longer term objective of providing a minimum income support package to the poorest and to those most vulnerable to future shocks. The programme provides eligible families with unconditional cash transfers (UCT), originally set at a monthly value of PKR 1,000, raised to PKR 1,200 in July 2013, PKR 1,500 in July 2014 and PKR 1,566 in July 2015. The transfer is delivered quarterly; with the vast majority of beneficiaries receiving cash through the BISP Debit Card. BISP has an aggressive and robust plan for shifting of its operations to biometric verification system so as to enhance transparency in its disbursement and ensuring that the amounts are withdrawn by its beneficiaries only. Along with UCT, BISP has initiated conditional cash transfer (CCT) programme (Waseel-e-Taleem) to support the primary education of 5-12 years children of BISP beneficiaries. It is part of the graduation strategy for attainment of human development goals.

Since its inception in 2008, BISP has grown rapidly. The number of active beneficiaries has increased from 1.7 million households in FY 2008-09 to approximately 5.71 million as of September 2016.

BISP's annual disbursement rose from Rs. 16 billion in 2008/09 to 96.65 billion in 2015/16. Under Waseela-e-Taleem programme 1.3 million children has admitted and Rs.

2.87 billion have been disbursed as stipend from 2014-June 2016. Since 2008, Rs. 412 billion has been distributed to beneficiaries. The budget allocation was Rs.70 billion for year 2012-13 and it was enhanced by PML-N government to 75 billion in 2013/14. It is further increased to Rs. 92 billion in 2014/15 and Rs. 102 billion are allocated for the current fiscal year 2015/16. For current fiscal year 2016/17 Rs. 115 billion is allocated to BISP.

To inform the policy makers, stakeholders, international communities and the donors, on the scope, efficiency and effectiveness of BISP as an anti-poverty instrument, BISP has initiated a series of impact evaluation studies through third party namely Oxford Policy Management (OPM) – a globally renowned research organization. After first and second round of impact

Highlights

- The number of beneficiaries has increased from 1.7 million in 2008/09 to more than 5.71 million as of September 2016.
- Cash transfer has increased from Rs 1500/- to Rs 1566/- per month in FY 2015-16
- BISP's annual disbursement rose from Rs. 16 billion in 2008/09 to Rs. 96.65 billion in FY 2015/16

evaluation, the OPM has completed third round of impact evaluation of BISP programme. The evaluation component will help to determine the effectiveness of the programme in delivering its broad aims. The evaluation component will also help to inform stakeholders of the programme's performance and enable lessons to be drawn to improve future practice and policy.

This policy brief draws on the findings of third follow-up impact evaluation report based on the data collected in the field.

Conceptual Framework and Methodology

The theory of change supports both the short term and long term objectives of BISP. In short term, BISP supports basic consumption needs, and protect households from fluctuations in prices of necessities. In longer term BISP payments allows beneficiary households at their own discretion to make 'desirable' investments in nutrition, education, health, productive assets, among others.

The impact evaluation is based on a household survey by comparing the beneficiary households with non-beneficiary households who are just above the eligibility threshold level. The evaluation adopts a mixed methods approach, both the qualitative and quantitative, to provide an assessment of the impact of BISP on its beneficiaries across a range of impact areas and indicators that were identified collaboratively with BISP and its key stakeholders.

The core of the evaluation is based on a large scale household survey across the four evaluation provinces; Punjab, Sindh, Khyber Pakhtunkhwa and Balochistan. The quantitative study is complemented by qualitative research to provide contextual information as well as to provide some insight into potential impacts that are less easily quantifiable.

Characteristics of Beneficiary Households during the Period of Survey

BISP beneficiary households are characterized by high rates of poverty, vulnerability and are exposed to a variety of shocks. These households are largely dependent on vulnerable livelihoods particularly seasonal labour. Almost half of children aged 5-12 years in BISP beneficiary households are not attending school.

Impact Evaluation Results

Poverty: The BISP has continued to have an effect on increasing per adult equivalent monthly level of consumption expenditure of BISP beneficiary households, with this round of research reporting an increase of PKR 187. The impact on poverty depends on which poverty line is used as a reference. Using the FEI poverty line the BISP reduces the poverty rate by 7 percentage points but has only a weak impact on the poverty gap. Using the CBN poverty line as a reference

The Key Findings

Primary Impacts

- Per adult equivalent monthly consumption expenditure has induced a net increase of Rs. 187.
- Using the FEI poverty line the BISP reduces the poverty rate by 7 percentage points.
- Using the CBN poverty line as a reference we find that the BISP is associated with a reduction in the poverty gap by 3 percentage points
- BISP is leading to an increase in per adult equivalent monthly food consumption (PKR 69).
- For the first time it is observed that a statistically significant effect on the mobility of beneficiary women, with more women being allowed to freely travel to various locales in their community alone

we find that the BISP is associated with a reduction in the poverty gap by 3 percentage points, but does not have a statistically significant impact on the poverty rate. With the CBN poverty line the average poverty gap is PKR 496, with the average per adult equivalent monthly value of the transfer of PKR 270 insufficient to push significant numbers of beneficiaries above the poverty line when poverty is referenced in this way.

Food expenditure and Nutrition: evidence show that the BISP is leading to an increase in per adult equivalent monthly food consumption (PKR 69), driven by high quality protein which can be expected to lead to significant improvements in the quality of diet. In terms of child nutrition report indicate that the BISP has led to a reduction in the proportion of girls, but not boys, that are wasted.

Living standards: The beneficiary profile notes significant deprivations against indicators of living standards amongst the average BISP beneficiary household. However, report indicates that BISP has led to a decrease in these deprivations particularly in terms of the quality of flooring in their households and the quality of cooking fuel used.

Women's empowerment: It is observe that the BISP has continued to influence a change in the way women are viewed in the household and in the community with most beneficiary women noting that they are now given an elevated status within the household as a direct result of the BISP. For the first time it is observed that a statistically significant effect on the mobility of beneficiary women, with more women being allowed to freely travel to various locales in their community alone. The qualitative research notes a direct relationship between increased acceptance of mobility and the collection of the transfer from BISP collection points, and further suggests the increased independence of beneficiary women may be extending to other women in their communities

Secondary Impacts

Livelihoods: Finding of the report indicates that change in the livelihood strategies adopted by beneficiaries has contributed to an overall reduction in the dependence of beneficiary households on casual labour as the main source of income. In line with the finding that increased proportion of men engaging with agricultural activities including caring for livestock, we find that the BISP has resulted in an increase in the proportion of beneficiary households that own small livestock including sheep and goats.

Education: Finding of the report reveals that there is no evidence that the BISP cash transfer increases the proportion of beneficiary children attending school. Whilst beneficiaries recognize the importance of education in terms of securing better life outcomes for their children we find that the cost of education remains a significant barrier to access.