

**Government of Pakistan  
Poverty Alleviation and Social Safety Division  
Press Release**

**PM launches ‘National Poverty Graduation Initiative’ for relief of the poor**



July 05, 2019- Islamabad: Prime Minister of Pakistan today launched the National Poverty Graduation Initiative (NPGI) under the government’s flagship Poverty Alleviation Program ‘Ehsaas’. This program will provide relief to the masses through interest-free loans, vocational and skills trainings, and asset transfers. Government of Pakistan has launched the poverty graduation initiative as a part of the *Ehsaas* strategy and aims to graduate the poorest households out of poverty to set them on a course of economic and social prosperity. Pakistan Poverty Alleviation Fund (PPAF) is the leading implementing agency for NPGI. The initiative will reduce the population’s dependence on government-led social safety nets and bring them into the mainstream of economic development and financial inclusion. The government in addition to providing funds for the initiative is partnering with the International Fund for Agricultural Development (IFAD) and the Asian Development Bank (ADB). The total projected cost of the initiative is Rs. 42.65 billion.

The Prime Minister today in a ceremony distributed cheque among 24 recipients of interest free loans to launch the nation-wide initiative. At this occasion a short video documentary featuring feedback of the borrowers receiving the interest free loans was also screened. The

launching of the National Poverty Graduation Initiative is marked by 391 cheque distribution ceremonies where 86,151 interest free loans, worth Rs. 3.02 billion were given out across Pakistan.

Speaking at the event, Prime Minister Imran Khan said, “Millions of Pakistanis stand to benefit from the interest-free loans, asset transfers, and trainings provided under this programme. Instead of becoming beneficiaries, they will be equipped with strong social mobilization support. The Initiative will support the needs of low-income communities and address one of the biggest factors holding the nation back: poverty.”

Dr. Sania Nishtar, Special Assistant to the Prime Minister of Pakistan on Social Protection and Poverty Alleviation and Chairperson BISP also spoke at the event. Her emphasis was on reform of institutions as she deemed it necessary for delivery of benefits. “Through Ehsaas we can deliver welfare to the poorest of the poor; but we can’t do that with money alone. Unless institutions have the ability to deliver, the money will go to waste and can be mistargeted. Therefore, a very important component of this program centers on governance reform”. “Tomorrow, I will be launching a 30-point centered governance policy for safety net institutions under my oversight”, she added.”

At the event, Mr. Shafqat Mahmood, Federal Minister for Federal Education and Professional Training, said, “Ensuring equality, training our people, and providing access to opportunities to every Pakistani is the core thinking behind this Initiative; my ministry is very pleased to respond to the invitation of the Poverty Alleviation and Social Safety Division to collaborate in this program; we have agreed on information sharing and are devising a mechanism to work closely together.”

During the next four years, every month around 80,000 interest free loans will be disbursed nationwide. The range of the interest free loans is Rs. 20,000 to Rs. 75,000. As many as 3.8 million interest free loans will be provided to 2.28 million households. In total, 14.7 million people will benefit from this component. Interest free loans are accessible through 1110 existing loan centers operated by partnering organizations. Information regarding loan centers and eligibility criteria is available on the PPAF website, [www.ppaf.org.pk/NPGI.html](http://www.ppaf.org.pk/NPGI.html)

Under the initiative skills and business development training will also be provided where at least 20,000 youth will be provided special skills to develop innovative businesses. This training will benefit 129,000 people. Training certified by NAVTTC will be taught. Furthermore, 225,000 assets will be provided to the poorest of the poor to start their businesses along with skills training and business planning. The average cost of the asset which will be given as a grant is Rs. 50,000. The average cost of the asset given as a grant is Rs. 50,000. A total of 1.45 million people will benefit from this component.

The initiative will be executed by PPAF, BISP, and forty partnering NGOs, including the Rural Support Programs and Akhuwat. It is being rolled out in over 100 districts and will impact a total of 16.28 million people, 50% of them being women. The initiative also targets youth, persons

with disabilities, transgenders, minorities, and marginalized communities in lagging districts. The selection of the beneficiaries is based on the Poverty Score Card maintained as National Socio-Economic Registry by BISP which is used by the government and donors.