

Government of Pakistan
Poverty Alleviation and Social Safety Division
Press Release

Senate Standing Committee discusses BISP - USC collaboration



October 21, 2019 – Islamabad: Dr. Sania Nishtar, Special Assistant to the Prime Minister on Social Protection and Poverty Alleviation and Chairperson BISP was invited to the meeting of the standing committee on Industries and Production held today in Islamabad at the Parliament House. The standing committee was discussing performance issues of Utility Stores Corporation (USC) along with ways of reforming this organization.

Several options came into discussion including tax exemptions, subsidies and low mark up on bank loans. One of the options discussed was routing BISP cash stipends to women beneficiaries through Utility Stores Corporation. The members of the standing committee strongly emphasized on the latter. They said that if BISP routes its cash transfers to women through USC and give rations instead of cash, then USC will become viable. In any case, the major consumption of these beneficiaries is on food. However, Chairperson BISP, Dr. Nishtar explained that the government had taken the decision to transform the existing cash out operations of BISP into the Ehsaas Kifalat programme through which women will have access to bank accounts under the ‘one woman one bank account initiative’ and they will also have access to mobile phones so that they have better access to poverty graduation opportunities. The policy objective is to use these funds for economic empowerment of the poor.

Further, Dr. Nishtar informed the standing committee that this was part of a larger policy aimed to help these women graduate out of poverty. She also elaborated that over the last one year, this change in policy direction had gone through several stages including evidence gathering, design committee approval, board approval and approval by the Prime Minister. The procurement process to hire banks had concluded recently. 'It was not possible to change the policy course, and in any case, it does not make any logical sense to make change in policy course in order to salvage another organization which should focus on overcoming its performance constraints, she concluded'. Secretary Finance attending the meeting strongly supported the position of Chairperson BISP.