



PRIME MINISTER'S
POLICY STATEMENT



Government of Pakistan

EHSAAS

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On March 27, I launched the “Ehsaas” program, the objective of which is to reduce inequality, invest in people, and lift lagging districts.

Ehsaas is about the creation of a ‘welfare state’ by countering elite capture and leveraging 21st century tools—such as using data and technology to create precision safety nets; promoting financial inclusion and access to digital services; supporting the economic empowerment of women; focusing on the central role of human capital formation for poverty eradication, economic growth and sustainable development; and overcoming financial barriers to accessing health and post-secondary education.

The program’s principles and approaches also center on tapping whole-of-government multi-sectoral collaboration for solutions; ensuring joint federal-provincial leadership; and mainstreaming the role of the private sector through an approach which will provide a level playing field on the one hand and foster locally-relevant innovation on the other, to create jobs and promote livelihood in quick-win areas. The program’s premise is grounded in the importance of strengthening institutions, transparency and good governance.

The program is for the extreme poor, orphans, widows, the homeless, the disabled, those who risk medical impoverishment, for the jobless, for poor farmers, for laborers, for the sick and undernourished; for students from low-income backgrounds and for poor women and elderly citizens. This plan is also about lifting lagging areas where poverty is higher.

Ehsaas’ poverty reduction strategy is articulated in four pillars and it currently embodies 115 policy actions, which may be expanded as the process of consultations on the program, further widens. The four pillars include: addressing elite capture and making the government system work to create equality; safety nets for disadvantaged segments of the population; jobs and livelihoods; and human capital development.

I. ADDRESSING ELITE CAPTURE AND MAKING THE GOVERNMENT SYSTEM WORK FOR EQUALITY

It is the prime duty of the government to cater for those that are left behind, and to build safeguards against elite capture, which is evident in the taxation system, in water management, in crop choices, in land use priorities, labor laws and in much else.

In this respect, the first pillar encompasses the following policies

1. A new constitutional amendment to move article 38(d) from the “Principles of Policy” section into the “Fundamental Rights” section. This change will make provision of food, clothing, housing, education and medical relief for citizens who cannot earn a livelihood due to infirmity, sickness or unemployment, a state responsibility
2. Increase in social protection spending. Additional PKR 80 billion will be added to social protection spending in the forthcoming budget (2019-20) and in the next budget (2020-21) there will be a further increase; hence total incremental increase will be PKR 120 billion. At this level, social protection spending will be 1% of the GDP with federal and provincial contribution
3. Creation of the Ministry of Social Protection and Poverty Alleviation Coordination to address current fragmentation. Benazir Income Support Program, Pakistan Bait-ul-Mal, Zakaat, Pakistan Poverty Alleviation Fund, Trust for Voluntary Organizations, the SUN Network, Center for Social Entrepreneurship, and secretariats of the Poverty Alleviation Coordination Council and planned Labor Expert group will be under this ministry
4. Creation of a one-window social protection operation to assist beneficiaries of social protection and to reduce duplication and abuse
5. Pro-poor goals and measurable indicators for every ministry
6. Priority earmarking of resources for pro-poor sectors to prevent channeling of resources to other sectors through ad hoc decision-making
7. A need-based system in the framework of the new National Finance Commission Award. Promoting poverty reduction and addressing inequalities, requires improving mechanisms that regulate allocation of financial resources and creating the right incentives to deliver on services for citizens. To this end, members of the Council of Common Interests will be

encouraged to improve the allocation formula to achieve our common goal of making opportunities equal for all Pakistani citizens, irrespective of where they live

8. All Provincial Finance Commissions will be encouraged to base their future awards on need-based systems to remove intra-provincial disparities
9. A policy to maximize the pro-poor impact of the Public Sector Development Program (PSDP) resources. For every project, efforts will be made to raise private capital so that PSDP resources are only spent on projects that serve as an equalizer. For this purpose, a policy will be developed to set the order of priority of the projects at the Planning Commission
10. A Committee on Innovative Financing and deployment of innovative financing mechanisms to mobilize additional resources and create fiscal space for pro-poor investments
11. Guidelines on Corporate Social Responsibility in areas related to voluntary expenditure, its alignment, tax rebates and reporting
12. A new mandatory section in the PC1 Performa (Planning Commission approval document) to screen every PC 1 for its impact on poverty and equality
13. A committee to review the bottlenecks in the justice system for the vulnerable
14. New policy to guide the use of development expenditure by parliamentarians to promote transparency, independent oversight and accountability
15. Guidelines on conflict-of-interest for state and government functionaries
16. Earmarking a share for those below a certain poverty line while allocating Khokhas (cafés), tea shops, newspaper stands, shoe polishing booths on government-owned land or in government-owned hospitals, parks, and railway stations
17. Earmarking a share for those below a certain poverty line while auctioning shops in Town and Tehsil committees
18. Earmarking a share for those below a certain poverty line in Market Committees
19. Registration of slum and Katchi Abadis residents to facilitate their transparent inclusion in the event of subsequent commercialization of the area

20. A policy of community co-ownership where land development follows freeing up of land from land grabbers
21. A policy of community co-ownership where government gives hunting permits
22. For pro-poverty planning, the government is committed to fixing the local government system, to facilitate need-based community decision making
23. Enhanced free electronic media airtime policy to promote information as public good related to the Ehsaas program
24. National Strategy for the Development of Statistics, for strengthening quality and availability of statistics and to ensure the independence of statistics from political and other undue external influence, so that the government can have access to accurate, reliable, and timely statistics and a solid and credible base of evidence, which is critical to support the design and evaluation of policies
25. Data accessibility and transparency policy. Free accessibility of data will be ensured through the District Development Portal in which poverty and other socio-economic indicators across Pakistan's district will be available to policy makers and the public. The Portal will allow tracking differences in performance and will be an important accountability tool in the implementation of Ehsaas

II. SAFETY NETS

38.8% of people in Pakistan suffer from poverty in one or other form, and 24.4% do not have enough money to satisfy their basic food and non-food needs. The government needs to identify the poor precisely to make government subsidies, targeted. In this regard the following initiatives have been undertaken/are in the planning pipeline

26. Development of the new 2019 National Socioeconomic Registry
27. Multiple validations of the National Socioeconomic Registry through follow-up review surveys and use of big data analytics to correctly and precisely identify the real poor
28. Conversion of the National Socioeconomic Registry into a live registry

Two new social protection programs are being introduced—Kifalat and Tahafuz. These will be executed through the agency, BISP

Kifalat:

29. The program Kifalat, will ensure financial and digital inclusion of around 6 million women through the one woman one bank account policy
30. Inflation-adjustment in the size of the cash transfer to 6 million women under Kifalat
31. Establishment of 500 digital hubs at the Tehsil level under Kifalat where government's digital resources will be made accessible as a public good (information systems, online curricula, one window social protection interfaces) to create opportunities for poor families to graduate out of poverty
32. Programs for graduation of BISP beneficiaries in lagging districts through the Pakistan Poverty Alleviation Fund's National Poverty Graduation Program, using the outreach of rural support programs and community organizations

Tahafuz :

33. Launch of the shock-oriented precision safety net, Tahafaz for the vulnerable to protect them against shocks. This will be involve one-time financial assistance to protect against catastrophic events
34. Assistance to poor widows who don't have any earning children through Tahafaz
35. Legal aid through Tahafaz
36. Partnership with NGOs to upscale successful programs for orphans, street children, seasonal migrants, transgender, victims of child and bonded labor and daily wage workers

Housing for the poor:

37. Ehsaas homes for 10,000 orphans
38. Panah-gahs in several major cities
39. Housing scheme for the poor (including landless farmers) through interest free loans

Protection against catastrophic health expenditures:

40. Insaf Insurance card in 38 districts for 3.3 million people

41. Ensuring financial access to treatment in defined categories and protecting the poor against catastrophic health expenditures through Tahafaz

Welfare programs for the disabled:

42. Ensuring universal access to assistive devices (e.g., cranes, wheelchairs, tripod/quadripod sticks, crutches and other assistive devices)

43. 20 centers for the physically challenged in under-privileged districts in the public-private partnership mode

Welfare of the elderly poor:

44. Labor pension increased from PKR 5,250 to 6,500 through the Employees Old Age Benefit Institute

45. Biometric payments of pensions through Employees Old Age Benefit Institute

46. Five great Ehsaas homes (old people's homes) through Pakistan Bait-ul-Mal

Labor welfare:

47. Creation of a time- and outcomes-based Labor expert group to develop recommendations to address the following issues: loopholes in existing laws as a result of which a large number of workers remain outside the formal network (e.g., agriculture and livestock sector, artisans, construction workers in informal settings, domestic workers and women whose work is seen as an extension of domestic responsibilities in rural area); fragmentation of labor social safety nets; rampant corruption and institutional failures which result in exploitation of labor; and enforcement issues with regard to minimum wage, and health and safety regulations

48. Launch of a welfare and pension scheme for the informal sector as a result of the recommendations of the Labor expert group

Welfare of workers abroad:

49. A policy to increase the role and number of Community Welfare Attaches and to involve well reputed expatriate Pakistanis in that role

50. Increase in the number of Protector of Emigration Offices

51. Initiative to improve quality of pre-departure briefing for intended migrants, and ensuring attendance biometrically so that workers can be made aware about their rights and entitlements (for example insurance), which will ensure that they are not exploited by human resource exporters and employers
52. Protector of Emigration Offices to create one-window for all types of requirements to facilitate migrant workers
53. Negotiations with foreign governments to extend the duration of the first contract agreement for workers to a minimum of 3 years because unskilled workers hardly recover their cost of migration before that time
54. A policy of subsidy on air tickets for low paid workers abroad who have not returned home in seven years

III. HUMAN CAPITAL DEVELOPMENT

Human capital development is a significant contributor to the wealth of a nation. In this digital age, accelerations in technology require countries to urgently invest in their people if they hope to compete in the economy of the future. Human capital development necessitates prioritizing investments in early years—tackling malnutrition, preschool or early education, protecting children from harm; ensuring access to quality education, skills and jobs; long-term commitment to Universal Health Coverage, and measures for empowering women and girls.

Pakistan is facing a crisis in terms of malnutrition that is among the worst in the world; our country is losing 3 percent of its GDP to stunting every year—a situation in which children cannot grow in height, their brains don't grow, and cognitive abilities don't develop, a major setback in today's knowledge economy. Stunting is the result of malnutrition and recurrent infections, in early childhood and/or malnutrition before birth brought on by a malnourished mother. Under-nutrition in young children and over-nutrition later in life lead to higher risk of costly diseases, like hypertension and diabetes. These are impoverishing through healthcare costs and by negatively impacting economic development by incurring productivity losses. Therefore, malnutrition has long lasting consequences for families and countries. Several initiatives address malnutrition in this framework.

Malnutrition:

55. A new community and health and nutrition initiative to address stunting in children

56. Provision of de-worming drugs, iron, folic acid, micro nutrient supplements through government hospitals
57. Awareness regarding breast feeding and complimentary feeding
58. Multi-sectoral Nutrition Coordinating`Body under the Prime Minister's oversight
59. Establishment of the first-ever university-hosted National Centre for Human Nutrition
60. 5+1 model of desi chicken asset transfer for poverty alleviation and nutrition
61. Asset transfer of goats to the rural poor along with veterinary cover as part of the graduation initiative's asset transfer programs
62. A Kitchen Gardening initiative to promote subsidized certified seed and seedlings through the entrepreneurial model as well as CSR to promote fruit and vegetable intake
63. Oil cans to accompany seed packets policy
64. Promotion of seed distribution through the Utility Stores Corporation
65. Specialized nutrition food made available for stunted and wasted children in a cost-effective manner
66. Initiative to address spurious, and adulterated milk

Pro-poor education initiatives:

67. Awareness drive aimed at article 25-A so that the disadvantaged become aware of their right
68. Access to education for poor through vouchers where public schools do not exist, but private schools exist; or
69. Contracting out primary and secondary education to private sector in geographic areas where there are no public schools
70. Increase in the budget of the National Education Foundation to enable implementation of contracting out and voucher schemes, mentioned above

71. Freely available e-learning content as a public good
72. Use of chatbots in local languages to overcome constraints faced by dispersed populations in accessing education
73. Conditional cash transfer program for education in lagging districts
74. A second chance program for girls in schools, colleges and universities
75. Need-based undergraduate scholarships by the Higher Education Commission for students from low-income families and lagging districts to ensure that all qualified students have access to undergraduate education regardless of income, gender, or location. This policy will be applicable to public sector and participating non-profit private sector colleges and universities
76. Transparency placard placement policy for all schools funded by government. Outside each school a placard will be placed with details about the budget and number of teachers. Consolidated information will be digitally available through a mobile app

Health:

77. Universal health coverage policy to be adopted at federal and provincial levels with innovative technology tools to increase geographic and financial access to healthcare for communicable and non-communicable diseases and for maternal and child health and mental health services. Priority will be given to conditions where the poor bear higher burden of disease
78. Transparency and integrity measures to address regulatory capture in health-related regulatory agencies
79. Transparency placard placement policy for health facilities funded by government. Outside each BHU and hospital, a placard will be placed with details about the budget and number of staff. Information will also be available through a mobile app
80. Policy to accelerate reform of public hospitals with increase in budgets

(A number of other policies in this framework will also impact health outcomes: the garbage collector challenge, Insaaf Insurance Card, Tahafuz policy to ensure financial access to healthcare, and all policies to address malnutrition).

IV. JOBS AND LIVELIHOODS

Employment generation is a major objective of the broader economic reform agenda. Notwithstanding, a certain set of employment opportunities are included in the Ehsaas framework to promote jobs and livelihoods, despite current limitations

81. The new policy of Solutions Innovation Challenge, Prize Funding, and venture capital funding to develop value chains and solutions for poverty at scale by identifying private sector partners. Two categories of solutions challenges will be developed; one with public good like effect and others that are specific to Geographic Opportunity Clusters in lagging areas. This approach will help to develop agriculture and industrial value chains and address the drivers of poverty in a local context.

Examples include the Solution Innovation Challenge:

- to reinvent the traditional 'The1a' to enhance its income generating capacity.
- to develop micro credit facility for daily wage earners so that they can afford monthly groceries, which they would not be able to afford otherwise
- to identify online platforms, which can help daily wagers, especially women earn a living wage with dignity
- for online content development which can be made available as public good for all
- to develop cost effective new models of incubators, less reliant on physical infrastructure to promote startups, more broadly
- to develop a rickshaw garbage collector which can create livelihoods and improve water and sanitation outcomes, at the same time
- will be designed for clean drinking water and irrigation
- to link crafts persons with fashion houses to increase employment and promote culture
- for the Union Councils of the western CPEC corridor aimed at developing productive infrastructure for local communities

- to develop formal institutions for workers in the informal sector who have not qualified through TVET institutions
- for clean cooking stoves to address indoor air pollution, which is a major risk for diseases which disproportionately affect poor women
- to create digital interfaces for the less literate

82. Policy by the higher education Commission to support research and evidence-gathering on the drivers of poverty in local settings, as these will assist with the development of locally-relevant solutions challenges

83. Promotion of microfinance banking services through a policy aimed at increasing liquidity and digitization of phone banking services

84. The government's Interest Free Loaning policy and graduation tools (asset transfer and skills development) will be developed around the Solutions Innovation Challenge and Prize Funding policy

85. Promotion of agriculture credit to support the Solutions Innovation Challenge and Prize Funding policy

86. Promotion of off grid solutions to electricity to support the Solutions Innovation Challenge and Prize Funding policy

87. Deployment of a certain percentage of loans under the Prime Minister's Youth Program to support the Solutions Innovation Challenge and Prize Funding policy

In addition to Solutions challenges, government has identified three areas where there is opportunity to create jobs

Relevant to the IT sector:

88. The policy of architecture-based approach to digitize government, coupled with a level playing field for the private sector can help drive jobs at scale

89. The policy to promote free lancing by facilitating electronic payments

90. The policy to promote startups through the innovation challenge approach

91. The policy to enhance broadband internet services and basic telephony in lagging districts through the Universal Service Fund

The TVET sector:

92. Introduction of skills training in school curricula and 2-year college programs

93. Rationalizing requirements of 8th class as conditionality for enrollment in TVETAs

94. Decrease in the age of enrollment from 18 to 15 in TVET institutions so that after matriculation, skills training can be started immediately

95. Review of legislation relating to apprenticeship in the informal sector. A system will be designed to formalize arrangements, recognize and certify skills

96. Change in NAVTCC' s law to introduce the mandate to check the mushrooming of substandard and unregulated Trade Testing Centers being run by manpower exporters, which is one of the causes in compromising quality and subsequent exploitation of labor

97. Increase in NAVTCC' s budget

98. NAVTEC to take immediate steps to get international recognition of our TEVT courses

99. A consolidated labor market information system for overseas employment so that intended migrant workers can be empowered, and are not exploited by middlemen

Manpower export:

100. Accelerated foreign policy drive to review opportunities in neighboring countries, and other emerging opportunities in countries like Japan and Germany that have ageing populations and need human resources

101. Introduction of a slab for remitters of up to US\$100 with half of the existing fee and incentives for the remittances to be socially invested

102. Products to make remittances agile and cost effective

For poor farmers :

103. Labor Expert group to study application of labor laws to tenant farmers and to make recommendations for formalizing tenancy farming system
104. A policy to help farmers with fragmented and small landholdings
105. Crop diversification Policy as a counter to elite capture in this area
106. Incentivize local manufacturing of farm equipment, drip irrigation materials and solar equipment
107. A policy to promote effective husbandry and hay and silage making
108. Publication of biannual Agriculture Terms of Trade Report to improve pricing mechanism
109. Policy to catalyze development of warehouses and warehouse receipt financing
110. Policy to reduce cost of agriculture inputs by minimizing import duties and taxes
111. Policy to provide market stimulus for livestock and fisheries in arid zones

About poor women :

This entire agenda is heavily skewed towards the uplift of poor women—from the 6 million women who will benefit from the Kafalat to preferential support for women through Tahafaz. More than 50% of the education vouchers and scholarships will be for women. Insaf Card covers health conditions for women, preferentially.

Not just health and education, but jobs and economic empowerment are crucial for poor women. In this regard, the graduation initiative solely serves women. Through the Labor study group the government will explore ways to recognize the work of rural women, pave the way for equal wage and cover domestic work under legislation. In addition:

112. A policy will be developed to ensure that women have joint ownership of houses in each of the new housing schemes the government is supporting

The success of this wide-ranging plan with transformational potential will hinge on two factors—the effectiveness of population control measures on the one hand, and the quality and

speed of implementation, on the other. The latter is deeply interlinked with governance effectiveness. To this effect, the following measures assume overarching significance:

113. Housing the Population Task Force under the direct supervision of the Prime Ministers Secretariat and ensuring universal access to family planning predicated on the understanding that population is the denominator of poverty alleviation
114. Institutionalizing integrity and efficiency frameworks in safety net institutions. Maintenance of Risk Register, error fraud and corruption frameworks, risk assurance and management mechanisms, performance metrics, detailed operational work plans, are to be used as frameworks of accountability in all safety net institutions.
115. Ehsaas Governance and Integrity Policy for safety net institutions
116. Food Card Scheme for one million poor households
117. Framework for commitments by civil society and private sector
118. Revamping of 150 schools for marginalized children
119. A comprehensive policy on orphanages, which would also include standards for these facilities to improve quality and, where needed, increase in capacity.
120. Awareness Campaign on toilet sue and handwashing by soap
121. Eradication of open defecation
122. Treatment cover of all disabled registered under NADRA through Insaaf card
123. 2% disabled quota in all government jobs
124. 1% quota for disabled government employees in government accommodations
125. 2% quota will be reserved for the disabled in Naya Pakistan housing scheme
126. All public sector hospitals will be instructed to issue disability certificates as per UN definition so that disabled can benefit from Ehsaas policy actions.
127. It will be ensured that no child is left behind and that all communities have access to the polio vaccination and lifesaving routine immunization
128. Under the Ten Billion Tree Tsunami Programme around 3.29 billion indigenous plants will be added on about one million hectares over the next four years; this coupled with

improvements of national parks and effective implementation of wildlife legislations and institutional strengthening.

129. The Eco System Restoration Initiative as a nature-based solution for addressing climate change will create livelihood opportunities in the environment sector which includes forestry, marine and aquatic resources, fisheries, biodiversity, wildlife etc
130. Legislation to address the menace of polythene bags and their phasing out, is an integral part of the Prime Minister's Clean Green Pakistan Movement; that by itself will create employment opportunities, specifically for rural women in the cottage industry for manufacturing, production and sale of alternate bags
131. The Electric Vehicle Policy to ensure introduction and promotion of electric vehicles in the country in a quest to reduce carbon footprints of ever-increasing traffic will be linked with "Insaf Rozagar Scheme", which will also provide subsidies for electric Rickshaws for low income communities.
132. Ranking of cities/tehsils under City/Tehsil level Clean and Green Cities Index (CGCI) according to the indicators on cleanliness and greenery. The Cities competition is planned to create job opportunities at the local level in environment specific fields like waste recycling and management, horticultural and nurseries development for plant saplings etc.
133. Transforming the Indus Basin with Climate Resilient Agriculture and Climate-Smart Water Management initiative will increase resilience to climate change among the most vulnerable farmers in the Indus Basin and will strengthen the government's capacity to support communities in adapting to climate change.
134. To give greater salience to disability in public policy, no PC-1 shall be approved, until it is disability friendly.

These measures are urgently needed to make government institutions transparent, accountable and responsive, which is a necessary pre-requisite for successful implementation of this program.

Ehsaas is the biggest and the boldest program for the poor, ever launched in Pakistan. The government looks forward to working with all stakeholders—public, private, civil society, philanthropists, and expatriate Pakistanis—to ensure that we deliver on our promise of lifting millions of people out of poverty and build a strong foundation together for a stronger, safer, and successful Pakistan.

The Ehsaas program was developed by the Poverty Alleviation Coordination Council after extensive consultations. The Council is chaired by Dr. Sania Nishtar