Towards Building an Effective Social Protection System

The COVID-19 crisis urged policymakers to adapt existing systems rapidly to meet the new challenges facing all aspects of public policy. In many ways, the crisis presented an extraordinary situation requiring extraordinary measures. In Pakistan, the Federal Government responded by launching the Ehsaas Emergency Cash programme to provide PKR 12,000 to over 15 million poor families (PASSD 2020). Nevertheless, the crisis exposed several weaknesses in the federation’s shock responsive systems, particularly at the provincial level, which visibly fell short of meeting citizens’ needs of consumption smoothing and livelihood assistance.

Pakistan has a multi-tiered system of governance for Social Protection Programmes (SPPs) instituted at the federal, provincial and district levels. Although the 18th Constitutional Amendment delegated the social protection function (social welfare, Zakat, population welfare, unemployment insurance etc.) to the provinces, the Federal Government continued with the delivery of the country’s largest cash transfer programme. Since 2018, not only has the unconditional cash transfer programme been expanded further but several satellite programmes aiming to develop human capital, youth livelihoods and welfare-to-work interventions have also been initiated. In some cases, this approach of expansion has overlapped with the ongoing or upcoming provincial SPPs.

As the federal and the provincial social protection authorities currently lack a common platform to discuss and resolve governance issues, the potential of complementarities and linkages is yet to be explored. Areas for such multi-tiered cooperation range from legal frameworks to institutional development and from initiating vertically aligned schemes to common monitoring and evaluation methods. Immediate areas that require such cooperation include dynamic social data, reliable methods for social outreach and mobilisation, payments and social insurance infrastructure and integrated databases of programmes and beneficiaries for a robust Monitoring and Evaluation (M&E) system. As the social protection system graduates from mere cash transfers to human development and productive inclusion, the need for people-friendly innovation, financial inclusion and digital literacy also calls for the attention of policymakers.

In continuation with the discussion on methodology of ‘Integrated Social Protection Systems’ in the plenary on Multi-Tiered, Shock Responsive Social Protection in Pakistan, being co-organised by the Foreign, Commonwealth and Development Office (FCDO), Sub-National Governance programme (SNG) and Sustainable Development Policy Institute (SDPI), the session will further explore the increasing body of evidence which suggest that for low and low-middle income countries to develop, investment in human capital and social protection is essential. This requires resources which, for countries such as Pakistan, are scarce. During the 2008 financial crisis, even high-income countries began to rationalise their programmes (Nelson 2011) in pursuance of efficiency. The COVID-19 pandemic and resultant shocks to the economy have led to record inflation disproportionately affecting the poor. This has reiterated the need for fiscal responsibility and a harmonised social protection system which delivers on intended outcomes for the poor and vulnerable. To achieve this objective, gains in equity for recipients must be financed against gains made through efficiency.

For Pakistan’s social protection system to become efficient and produce desired outcomes, there is a need for vertical alignment and coherent integration, reduced fragmentation, and complementarities. This becomes a challenge in multi-tiered governance structures such as those in Pakistan and is common in other regional countries such as Bangladesh (The World Bank 2016) and India (Asher and Vora 2018). International best practices (Schüring and Loewe 2021) suggest that for integrated social protection systems to be developed, harmonisation must occur in three domains:

1. Policy and Legal Framework
2. Institutional Arrangements and Coordination Mechanisms
3. Programme Delivery

The plenary aims to unpack how policies and the legal framework can harmonised, while this follow-on session supported by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH titled ‘Towards Building an Effective Social Protection System’ together with partners from the Benazir Income Support Programme (BISP), Punjab Social Protection Authority (PSPA), Public Policy and Social Protection Reforms Unit (PP&SPRU), FCDO funded SNG programme and the Sustainable Development Policy Institute, seeks to address issues around programme delivery. Programme delivery comprises of targeting approaches, outreach/point of entry delivery mechanisms, GRM, and M&E. In an ideal world, a citizen in need of social protection would reach out to a frontline bureaucrat who would be able to address the concerns of the said individual and deliver state services in an efficient and timely manner. Key questions to be addressed during the session are:

- Does Pakistan’s legal framework and political economy allow for unified service delivery to be implemented?
- What are the impediments to implementing a common data platform?
- How can federal and provincial entities develop a common outreach/point of entry mechanism?
- Can mechanisms, akin to the citizen portal, which greatly improve governance dividends, be developed specifically to cater to the poor with respect to grievance redressal?

References


Panel Organisers

Dr Sajid Amin, Research Fellow, Sustainable Development Policy Institute, Islamabad, Pakistan

Mr Umar Ayaz, Sustainable Development Policy Institute, Islamabad, Pakistan

Syed Muhammad Mustafa, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, Pakistan Office