

Poverty Alleviation and Graduation in Pakistan: Evidence from the Field

In collaboration with GIZ

Poverty is a multifaceted problem, going beyond conventional metrics of income and resources. Lifting people out of poverty, therefore, necessitates ‘sustained and integrated assistance’ to address its multidimensional problems. Over time, the design and implementation of policies and actions to alleviate poverty have, therefore, led to the development of social protection.¹

The consensus that one of the key end objectives of social protection is poverty alleviation, attained by enabling those who can eventually become self-sufficient, has led to the continued upgradation of social protection systems. The ‘graduation’ approach to poverty alleviation is the latest. Contrary to the social assistance/benefits/cash handouts-based model, which helps people survive shocks, the graduation approach supports the poorest of households to *achieve sustained income* and move out of extreme poverty.

While the Benazir Income Support Programme (BISP) and other social protection bodies, such as the Punjab Social Protection Authority (PSPA), have recently adopted graduation strategies, the social protection paradigm in Pakistan remains mainly characterised by cash transfers focused on consumption smoothing. Broadly, Pakistan continues to follow the social insurance model, which is essentially designed to protect the poor against temporary risks/income shocks. The system is heavily skewed towards these kinds of social assistance models partially because setting up such programmes is relatively easy. Accordingly, there is very little evidence to date to suggest that the present anti-poverty programmes in Pakistan are fulfilling the key end objective of social protection i.e., poverty alleviation. Social protection in Pakistan, therefore, needs to move towards graduation strategies. Evidence from field experiences and lessons from small-scale graduation programmes, mainly from the private sector, can support and guide the government in designing anti-poverty graduation programmes.

Institutions such as the Aga Khan Rural Support Programme (AKRSP), Pakistan Poverty Alleviation Fund (PPAF), Rural Support Programmes Network (RSPN) and Akhuwat, have been working in the field of poverty alleviation for at least two decades, and have substantial experience in lifting people out of poverty i.e., graduating them. The objective of this session is to attain an understanding from experts on what works in the field and how these lessons can be incorporated into public sector social protection and development programmes. The discussion will focus on the following primary questions:

- How have organisations (like AKRSP, PPAF, RSPN and Akhuwat) conceptualised poverty graduation and poverty alleviation?
- What has worked for graduating people out of poverty and to what extent? What drove this success?
- Which graduation/ poverty alleviation interventions not worked? What hindered their success?
- What is the role of social (including gender) norms and intra-household dynamics in graduation programmes? What role have communities played?

¹ Social protection is generally defined as ‘all public and private initiatives that provide income or consumption transfers to the poor, protect the vulnerable against livelihood risks, and enhance the social status and rights of the marginalized with the overall objective of reducing the economic and social vulnerability of poor, vulnerable and marginalized groups.’

- How sustainable are the benefits of graduation programmes? How have they built resilience in households and communities?
- How have these programmes complemented public sector initiatives? What is the level of coordination or integration with the public sector?
- How scalable are the drivers of success in graduation? What opportunities and challenges affect this scalability and how can they be dealt with?
- How and to what extent can the federal and provincial governments integrate these lessons into their own graduation/poverty alleviation programmes, as well as into broader development planning?

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