Country Position Paper

Status of Social Protection in Pakistan

March 2025

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Mapping the Safety Nets in Pakistan

Conducted by

Awaz Foundation Pakistan

Awaz CDS

Centre for Development Services

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Mapping the Safety Nets in Pakistan

Part-1

Context and chronology of social safety and care in Pakistan

Context:

According to the Economic Survey of Pakistan-2024-25, the country's GDP is US $ 411 billion (PKR 114,692 billion) and the Per Capita Income stands at US $ 1,824 (PKR 516,192). According to the Census-2023, country's population is 241.5 million that makes it the fifth populous county in the world.

Recently, The World Bank counted poverty rate in Pakistan at 44.7 percent (i.e. 107.95 million people). The figures jumped due to increased threshold for lower-middle income countries from US $ 3.65 to US $ 4.20 per day to be below the poverty line. (Reference The News International, Islamabad June 6, 2025). The official statistics stays slightly low.

[Footnote: The World Bank's calculations are based on official data for fiscal year 2018-19 and the Census of 2017].

The country has statutory mechanisms to fix minimum wages and today they stay at meager PKR 37,000 per month. In 2025, only Punjab and Sindh province raised it to PKR 40,000. Majority of low wageworkers are usually recruited through a third party instead of giving a proper employment. In agrarian country, the notion of proper wages is highly distorted for the agricultural workers. In this way, we can say there is a sizable chunk of 'working poor'. The Economic Survey counts rate of unemployment at 6.3 percent. Independent economists view this as a suppressed calculation in a youth bulge country.

It is in this context that Pakistan in the light of its Poverty Reduction Strategy Paper (PRSP) launched structure social safety program, namely, Benazir Income Support Programme (BISP) in 2008-9. According to the Economic Survey of Pakistan in 2024-2025, federal and provincial aggregated expenditures under the PRSP were PKR 4,256.02 billion (i.e. 3.43 percent of the GDP). Of this amount, the federal government spent 21.55 percent, Punjab 31.13 percent, Sindh 20.27 percent, Khyber Pakhtunkhwa 9.76 percent and Balochistan 8.91 percent. However, of the amount 20.73 percent were spent on education related initiatives, 15.72 percent were health related expenditures and 13.26 percent were for social security and welfare.

Ostensibly, these figures are encouraging but upon unpacking one finds that specific social safety net like the BISP spent 8.76 percent and Pakistan Bait ul Maal 0.23 percent and rest are over all expenditures on the above mentioned counts. Constitutionally Pakistan offers free and compulsory education (Article 25-A) and officially healthcare is free at government run health facilities. However, the real situation on ground remains 'expensive private education' and 'out of pocket expenditures on health care'.

The scope of this discussion paper is limited to document social safety net for the four highly vulnerable segments of the society namely, women/girls, transgender, persons with disability (PWD) and senior citizens. Secondly, it looks only at the conditional and unconditional social safety nets. The listing of laws indicate that there is an encouraging trend of legislative leaps for vulnerable segments like the PWDs, transgenders and senior citizens.

Crisis of definitions:

With prevalent poverty and abysmally low income levels social protection becomes important to insulate the weak and vulnerable. In social policy literature term social protection is used about measures to safeguard vulnerable from social and economic distress and lower poverty. Some social protection programs also include investments for creating opportunities to pull the poor out of the quagmire of poverty.

Term social security is used about specific programs and funds-mostly of contributory nature for workers, labour, disability, benefits like retirement pensions, educational scholarships and daughter's marriage assistance etc. Such schemes are also known as social insurance.

Social welfare schemes mostly provide need based or emergency assistance to vulnerable. Care institutions for women in distress, orphans and older persons also fall in this category. Besides, the government the social welfare could be a private community concern and through voluntary organizations as well.

Social credits or micro-credit schemes that provide small loans with societal/community collateral also contribute in poverty alleviation and economic empowerment at grassroots.

All these mechanisms are the components of social policy. Nevertheless, the Government of Pakistan uses term of Social Safety Nets (SSN) to explain its multiple efforts aimed at improving living standards, reducing vulnerability, and breaking the cycle of poverty. (Reference Economic Survey 2024-25 Page 275). However, the Constitution of Pakistan talks about 'social justice' in the Preamble, Article 37 (Promotion of social justice and eradication of social evils) and Article 38 (Promotion of social and economic well-being of the people) in the Principles of Policy along with social security, social insurance, unemployment allowance, provision of basic necessities of life and reduce income disparity etc.

The privileged methodology of this discussion paper has deliberately kept social security and social/micro-credits out of its scope due to their contributory or loan related nature.

Pakistan's journey towards pro-poor social policies:

Traditionally, social welfare was a community concern relying on social and religious organizations, trusts and endowments. After the creation of Pakistan, many community volunteers and organizations worked for rehabilitation of refugees. All Pakistan Women's Association (APWA) was created in 1948 for welfare of women.

Within the policy realm, Pakistan sought United Nations assistance in 1951 to cobble its social welfare policy. Many institutions like Social Welfare Departments in provinces, training institutes for social workers, Community Development Centers and departments of social work were established at universities. Prime premise was to cobble a social welfare policy immersed in the Islamic values of welfare, such as providing assistance to the poor, care of the indigent, the orphan, and the realization of Zakat (*alms giving*), which was engrained in the daily lives of the Pakistanis. The initiative gave birth to social welfare organizations. Later, the Village-Aid Program was started with assistance from the International Cooperation Administration of the United States of America. (Source: https://socialworkmethods.com/history-of-social-welfare-in-pakistan/)

During, 1960s the notion of minimum wages through Minimum Wages Ordinance 1961 became part of official vigilance. Now, there are minimum wages laws in all the four provinces and at the federal level. There are some enforcement mechanisms in place, but their implementation remains quite weak.

In 1970s, the notion of social security became paramount, especially for the labour. The Workers Welfare Fund was created through an Ordinance in 1971. The Fund also got the left over amount of profit of the Companies Profit (Workers Participation) Act, 1968. Another major development was establishment of the Employees Old-age Benefits Institution on April 1, 1976 through an Act of the Parliament. (Reference: http://www.eobi.gov.pk/introduction/enactment.html and https://wwf.gov.pk/)

The third phase of Government-led interventions was the promulgation of Zakat and Usher Ordinance in 1980. Through this Ordinance, the Government started collecting Zakat (alms) and Usher (tithe-one tenth religious share in agro produce) through banking system, for disbursing it among the needy, and deserving through Zakat and Usher Committees. In 1991, the Pakistan Bait ul Ma'al was established through an Act of the Parliament to help the destitute. The Pakistan Bait ul Ma'al also reached out to religious minorities. In the same era an ordinance pertaining to disabled persons employment and rehabilitation was promulgated that created special fund for persons with disabilities. The prevailing provincial and federal laws have inherited the said fund besides creating new avenues to support the PWDs.

In 1998, Pakistan Poverty Alleviation Fund was established on the basis of Poverty Reduction Strategy Paper (PRSP) to ward off the social costs of structural reforms programme of International Monetary Fund and the World Bank. The evolving culture of micro-credit through community or rural support programs expanded in the country. Earlier in 1991, national and provincial rural support programs were also created with endowment from the governments.

In 21st century, the concept of social protection attained prominent position in public policy discourse and the Benazir Income Support Program (BISP) was created in 2008 and was given statutory protection through an act of the Parliament in 2009. Poverty Reduction Strategy Paper (PRSP), National Social Protection Strategy, 2007 along with high-level political commitment provided imputes for this initiative. As of today, it remains the flagship social safety net in the country.

In 2020, Poverty Alleviation and Social Safety Division within the Cabinet Secretariat was created and most of the BISP programs and the new initiatives were named as Ehsas (care) in 2019 for a brief period. Presently, this terminology is used only in Khyber Pakhtunkhwa. In 2024, the division was made a full-fledged ministry and as of today, it remains an overarching umbrella for many Social Safety Nets (SSN). (*Annex-1*)

Part-2

Major Social Safety Mechanisms in Pakistan:

Institutional and Legislative Leaps

Since 2007, the federation and some of the federating units have developed comprehensive social protection policies and have erected some sort of institutional architecture to streamline and strengthen their social protection interventions. The Punjab has also taken an initiative to develop its own Socio-Economic Registry. As the Box 1 reflects, Balochistan lags behind in this context while the Federal Capital benefits from the policies and institutional architecture of the Federation.

Box 1. Status of Social Protection Policies and institutional architecture in Pakistan

S. no	Jurisdiction	Policy	Institution/Authority
1	Federal (nationwide outreach)	National Social Protection Strategy, 2007	1. Federal Ministry for Poverty Alleviation and Social Safety 2. National Socio Economic Registry (NSER) 3. Benazir Income Support Program
2	Federal Capital		1. Benefits from the federal design
3	Punjab	Punjab Social Protection Policy, 2022	1. Punjab Social Protection Authority 2. The Punjab Socio-Economic Registry (PSER)
4	Sindh		1. Social Protection Department 2. Sindh Social Protection Authority
5	Khyber Pakhtunkhwa	Khyber Pakhtunkhwa Social Protection Policy 2023	1. Public Policy and Social Protection Reforms Unit
6	Balochistan		1. Benefits from the federal design

Survey of on-going social protection laws and schemes-Social Safety Net (SSN)

Federal schemes:
1. Benazir Income Support Programme (BISP)
2. Pakistan Bait-ul-Mal (PBM)
3. Pakistan Poverty Alleviation Fund (PPAF)
4. Employees' Old-Age Benefits Institution (EOBI)
5. Workers Welfare Fund

Most of these schemes have a federal out reach. However, Zakat and Ushar have been devolved after the 18th Amendment in 2010. Some provinces also opted to enact their own Employees' Old-Age Benefits Institution (EOBI) and Workers Welfare Fund and retain their due share in the federal schemes.

Federal Capital Islamabad:

- The Transgender Persons (Protection of Rights) Act, 2018 (Only to the extent of Islamabad Capital Territory)
- The Zakat and Ushar Ordinance 1981
- The Islamabad Capital Territory Senior Citizen Act, 2021
- The Islamabad Capital Territory Rights of Persons with Disability Act, 2020

The Federal Capital-Islamabad besides being the seat of federal government is the city of 2.5 million. It took a lead to enact a law for transgenders in 2018.

Provincial:

Most of the provinces continue to benefit from the federal schemes especially the Benazir Income Support Programme and Pakistan Bait ul Maal with some provincial variations, innovations and a few province specific schemes.

Punjab

- Punjab Bait ul Maal Act 1991
- The Punjab Zakat and Ushr Act, 2018
- The Punjab Empowerment of Persons with Disabilities Act, 2022 (Humqadam for people with disabilities (PWDs) in Punjab)
- Punjab Employees Social Security Institution (PESSI)
- Punjab Workers Welfare Fund Act, 2019

The largest province in terms of population-Punjab has yet to enact a law for the senior citizens, but it has some support schemes for the elderly. Besides benefiting Waseela-e-Rozgar and Waseela-e-Haq under the BISP, Punjab has its own initiatives like 'Zewar-i-Taleem' stipend for girls in 16 districts (Grade 6-10) which provide conditional cash transfers in exchange for co-responsibilities, such as school attendance. It has a 'Himmat Card' for elderly as well. Punjab's Active Labor Market Programs (ALMPs) aimed at improving job prospects for individuals, such as training and vocational skills development. The Punjab government has also allocated funds for social protection, including free medicines, transport subsidies, agricultural subsidies, and support for environmental and climate change challenges etc.

The Punjab Socio-Economic Registry (PSER) is the new initiative of the Government of Punjab that in a way reflects lack of trust in the National Socio Economic Registry at Federal Ministry of Poverty Alleviation and Social Safety. The province has also established its Social Protection Authority.

Sindh

- The Sindh Zakat and Ushr Act, 2011
- The Sindh Senior Citizens Welfare Act, 2014
- The Sindh Empowerment of Persons with Disabilities Act, 2018
- Social Security and Welfare (SSW) for workers and their dependents.
- Employees Old-age Benefit Institution (EOBI)-also a provincial law in 2014 after the 18th Amendment in 2010
- Workers Welfare Fund (WWF)-also a provincial law in 2014 after the 18th Amendment in 2010.
- Sindh Employees Social Security Institution (SESSI)
- Sindh Women Agriculture Workers Act 2019

The Sindh Social Protection Authority (SSPA) established in 2022, as a statutory body tasked with developing and implementing a comprehensive social protection strategy for the province. The province also created a Ministry/Department of Social Protection.

Khyber Pakhtunkhwa

- The Ehsaas Kafaalat Program 2020
- Khyber Pakhtunkhwa Bait ul Maal Act 1991
- The Khyber Pakhtunkhwa Zakat and Ushr Act, 2011
- Khyber Pakhtunkhwa Senior Citizens Act, 2014
- The Disabled Persons (Employment and Rehabilitation) Ordinance since 1981
- The Khyber Pakhtunkhwa Employees Social Security Institution (KPESSI)
- Khyber Pakhtunkhwa Workers Welfare Board

The Khyber Pakhtunkhwa has a proper social protection policy since 2023 (enacted during the caretaker government) and a Public Policy and Social Protection Reforms Unit. Ehsaas Kafaalat was introduced as a flagship cash transfer programme under the federal Ehsaas Social Protection Framework (2019–2022), utilizing the institutional structure and beneficiary registry of BISP, which continued to function as the statutory social protection institution. The Sehat Sahulat / Universal Health Coverage Scheme was initially rolled out with federal support and co-financing arrangements with the provinces. Over time, the financing responsibility transitioned to provincial governments. Following this shift, Khyber Pakhtunkhwa chose to fully fund and continue the scheme at the provincial level, maintaining universal coverage for its residents. In contrast, other provinces did not sustain the scheme in its universal form due to fiscal constraints, prioritization shifts, or alternative health financing strategies. As a result, comprehensive coverage under the Sehat Sahulat programme currently continues only in Khyber Pakhtunkhwa. These decisions were shaped by shifting policy priorities, fiscal considerations, and differing views on programme visibility and governance.

Balochistan

- The Balochistan Zakat and Ushr Act, 2012
- The Balochistan Senior Citizens Act, 2017
- The Balochistan Persons with Disabilities Act, 2017
- The Balochistan Employees Social Security Institution (BESSI)
- The Balochistan Workers Welfare Fund Act, 2022

Balochistan is the largest province in the country in terms of area, but it has ostensibly the weakest social safety net due to over reliance on federal programs.

Methodology note for this part: This list has been prepared by visiting relevant government websites, reading budget speeches and documents etc. This may not be a comprehensive list as some government departments also have their own social safety schemes. Example for Persons with Disabilities etc.

Part-3

Looking at the four most vulnerable segments

Although there are many vulnerable groups in Pakistan but for the confined scope of discussion, this discussion paper has treated women, transgender, senior citizens and persons with disability as the target. Women remain a crosscutting part of everything and the rest of the three are viewed as either the most vulnerable or the poorest of the poor. Women constitute almost half of the country's population and the Benazir Income Support Programme (BISP) is the first-ever social safety net in Pakistan that keeps them at the heart of its interventions. In a way, this intervention forcefully conveys that socio-economic uplift of the poorest of the poor depends upon the control of modest family purse in the hands of women.

A. Senior Citizens

According to the Census 2023, citizens 60 and above are 13.57 million (5.62 percent) of the country's population. The awakening about the care for senior citizens in Pakistan is a 21st century phenomenon. Traditionally, in the culture of joint families issues related to the senior citizens were hardly on the policy radar. With the exception of Punjab, every province and the federal capital-Islamabad have laws for the senior citizens.

Within the existing safety nets Bahimmat Buzurg or Himmat or Azadi cards to provide financial assistance to those aged 60 and above and lacked adequate support. The allowance is currently set at PKR 2000-3000 per month to meet their essential needs. The Balochistan Senior Citizens Act, 2017, provides for financial support to families caring for elderly members, the establishment of senior citizen homes, and a Senior Citizens Welfare Fund. It also includes provisions free entry to public museums, libraries, and parks for senior citizens. The Federal Capital laws provides for the establishment of old-age homes (Dar-ul-Shafqat), a Senior Citizen Fund, and a Grievance Committee to address the needs and concerns of senior citizens in Islamabad.

As per the Sindh Senior Citizens Welfare Act, 2014 the Sindh High Court ordered the issuance of Azadi Card for citizens, falling in the age bracket of (60) years and above. Azadi Card will be issued to senior citizens and it will respond to social security needs and benefits. But the programme has not yet become functional due to delays in institutional setup, inter-departmental coordination, and budget allocation for benefit delivery mechanisms.

B. Persons With Disability

The country and its federating units have had *The Disabled Persons (Employment and Rehabilitation) Ordinance* since 1981. On 25th September 2008 Pakistan signed the United Nations Convention on the Rights of Persons with Disabilities (UN-CRPD-2006) and ratified it on 5th July 2011. The Convention obligates and binds Pakistan to privilege the rights-based approach towards disability. In April 2010 the 18th Constitutional Amendment devolved the subject to the federating units that resulted in 'provincialization of laws' dealing with PWDs. Sindh adopted its first law in 2014 which was improved through the comprehensive *The Sindh Empowerment of Persons with Disabilities Act, 2018*. In parallel, the *Balochistan Persons with Disabilities Act, 2017*, the *Islamabad Capital Territory Rights of Persons with Disability Act, 2020* and the *Punjab Empowerment of Persons with Disabilities Act, 2022* were enacted.

Only Khyber Pakhtunkhwa province still has the 1981 law.

Since 1981, in the domain of the executive there are various policies, action plans, job quotas, special CNICs, ministries and departments, councils and funds for PWDs and a full-fledged Accessibility Code-2006. After the enactment of new laws the institutional architecture is also being updated. In the judicial domain, a landmark judgment by a three-member bench of the Supreme Court of Pakistan (CP No. 140-L/2015) on 14th July 2020 ordered the federal and provincial governments to discontinue the usage of pejorative words (that offend the dignity of person) such as disabled, physically handicapped and mentally retarded, in official correspondence, directives, notifications and circulars etc. The Supreme Court also emphasized that, 'Disabled persons by virtue of being a human have the right to enjoy life, liberty, equality, security and dignity.'

An exact head count of PWDs has always been a challenge in Pakistan. The dearth of data deprives the legislature and policy community to propose and plan accordingly. The detailed results of the first-ever digital Census-2023 indicates 7,448,574 (7.44 million) persons with disability: 4,088,899 (4.08 million or 55 percent) male and 3,359,675 (3.35 million or 45 percent) female. This represents 3.10

percent of Pakistan's population counted at 240.45 million in 2023. This count is based on two aspects, namely, significant difficulty to perform an activity and inability to perform the activity at all. In Khyber Pakhtunkhwa, Punjab and Islamabad 3 percent population are included in PWDs while in Sindh and Balochistan 2 percent are PWDs.

According to these statistics, 1,285,273 (1.2 million) PWDs are living in Khyber Pakhtunkhwa that is 17.25 percent of the national numbers, of which 700,886 (55 percent) are male and 584,387 (45 percent) are female.

PWDs Population Census 2023

Province/Area	Total	% of national	Male		Female	
			#	%	#	%
Pakistan	7,448,574		4,088,899	54.89	3,359,675	45.10
Khyber Pakhtunkhwa	1,285,273	17.25%	700,886	54.53	584,387	45.46
Punjab	4,487,038	60.24	2,488,776	55.46	1,998,262	44,54
Sindh	1,297,882	17.42	691,521	53.28	606,361	46.72
Balochistan	305,359	4.09	164,672	53.92	140,687	46.08
Islamabad	73,022	0.98	43,044	59.95	29,978	40.05

When measured in terms of Functional Limitation the PWDs count jumps to 23.17 million (10 percent of country's population).

Population with Functional Limitation, Census 2023

Province/Area	Total	Male	Female
Pakistan	23,170,373	12,239,992	10,930,381
Khyber Pakhtunkhwa	3,406,060	1,779,814	1,626,246
Punjab	13,507,697	7,142,499	6,365,198
Sindh	5,139,958	2,722,682	2,417,276
Balochistan	931,278	489,742	441,536
Islamabad	185,380	105,255	80,125

C. Transgenders:

The legal recognition of transgender's identity is recent phenomenon. Population Census in 2017 counted 21,774 transgenders, whereas in the Digital Population Census 2024 it dropped to 20,331. Out of these 1,117 were in Khyber Pakhtunkhwa, 13,957 in Punjab, 4,222 in Sindh, 765 in Balochistan and 270 in the Federal Capital-Islamabad.

In 2012, the Supreme Court of Pakistan in *Dr. Muhammad Aslam Khaki v S.S.P. (Operations) Rawalpindi* PLD 2013 SC 188 recognized the rights of the transgenders and the NADRA (National Database Registration Authority) started issuing the their National Identity Cards with distinct third gender recognition. The enactment of the Transgender Persons (Protection of Rights) Act in 2018 initially granted significant legal recognition and protections, including the right to self-identify gender. The law aimed to end discrimination and harassment as well. However, a ruling by the Federal Shariat Court in May 2023 has restricted this right by striking down key sections of the 2018 Act, specifically those related to gender self-identification on official documents.

Nevertheless, these developments opened modest windows for access to healthcare, education and employment for this otherwise socially marginalized segment of the society. The Benazir Income Support Program (BISP) also included the transgender individuals to qualify for 'unconditional cash transfer' provided they had the NADRA's Computerized National Identity Card (CNIC). According to the

Economic Survey 2024-25, 221 transgender individuals are receiving cash assistance under the Benazir Kafaalat Program.

Part-4

The Institutional Social Safety Design

1. The Benazir Income Support Programme (BISP)

The Benazir Income Support Programme (BISP) launched in July 2008 is the flagship Social Safety Net in Pakistan. Since 2010, it is protected under an Act of the Parliament. Beauty of the programme is that it keeps women at the center of its approach and is named to remember country's first woman prime minister, Shaheed Benazir Bhutto. BISP targets the most marginalized and economically deprived segments of society. The program also contributes to several Sustainable Development Goals (SDGs), such as reducing poverty(1) and hunger (2), promoting good health (3), quality education (4), gender equality (5), and reducing inequalities (10).

The BISP has a nationwide presence with approximately 9.87 million beneficiaries throughout the country up to 31st March, 2025. Over the years, its budget has also increased. It started with a budget of PKR 15.32 billion for 1.76 million beneficiaries. In 2024-25, its budget was 598.72 billion for 9.87 million beneficiaries.

The BISP has two strands for cash transfer first Unconditional Cash Transfer (UCT) and the second is Conditional Cash Transfer (CCT). Since its inception, the BISP has disbursed a total of PKR 2,607.81 billion in grants, including PKR 276.09 billion under CCT. Under the umbrella of BISP there are multiple initiatives like 'Kafaalat' (launched in 2008) to provide financial assistance to eligible households identified through NSER. Eligibility is determined using the Proxy Means Test (PMT), with a cut-off score currently set at 32 (or 37 for families with disabled members). The cash grant has gradually increased from Rs 3,000 per quarter in FY 2009 to Rs 13,500 per quarter in FY 2025. The annual budget for the Kafaalat Programme in FY 2025 stood at Rs 461 billion.

The Prime Minister of Pakistan launched the Ramzan Relief Package (PMRRP) 2025, providing financial aid to eligible families during Ramzan. The Federal Government allocated Rs 2.0 billion from BISP's budget to support 400,000 beneficiaries, with funds distributed through partner banks nationwide. So far, Rs 1.65 billion has been disbursed.

To complement the Government commitment to achieve Universal Primary Education as part of its SDGs agenda, BISP launched the Benazir Taleemi Wazaif programme in 2012. This co-responsibility cash transfer initiative aims to encourage school enrolment and regular attendance among children from BISP beneficiary families by providing quarterly stipends. It initially focused on primary education, however was expanded in 2021 to include secondary and higher secondary education, and is now operational across the country. Under the programme, parents or guardians receive quarterly stipends for enrolled children based on education level and gender:

- Primary level: PKR 2,500 per boy and PKR 3,000 per girl
- Secondary level: PKR 3,500 per boy and PKR 4,000 per girl
- Higher Secondary level: PKR 4,500 per boy and PKR 5,000 per girl

- A one-time bonus of PKR 3,000 is awarded to girls upon graduation from primary school to encourage continued education

As of 2025, 2,002,919 children have been enrolled in the programme, with the highest numbers in Punjab (754,044), Sindh (628,536), and Khyber Pakhtunkhwa (367,108).

The Balochistan Scholarship Unit project, launched in September 20, 2019 with the HEC, provides tuition coverage and an annual stipend of PKR 40,000 for undergraduate students from low-income families (earning PKR 45,000/month or less). With 50 percent of scholarships reserved for girls. About 102,003 students (43 percent female) across 135 HEC-recognized institutions were selected over three batches. The six-year project (FY 2020-2026) has a total budget of PKR 38.02 billion, with PKR 34.519 billion disbursed so far. While new student intake ended after 2021-22, current awardees will continue receiving funds until their graduation. BISP also plans to assess the employability of Batch-I graduates.

The Skill Training Vouchers (STVs) program, launched in April 2024 through a partnership between BISP and NAVTTC, aims to economically empower BISP beneficiaries particularly orphans by providing access to quality technical and vocational education. Implemented in 18 districts across Pakistan, including Azad Jammu & Kashmir and Gilgit Baltistan, the program targets training 1,000 individuals in the fields of Hospitality & Services, Construction, Manufacturing, and Information Technology. Currently, 417 trainees are under training in 18 districts.

Pakistan faces a serious child nutrition crisis, with high rates of stunting (40.2 percent), underweight (28.9 percent), and wasting (17.7 percent), making it the second-highest burden country in the region. The first 1,000 days of a child's life are critical for development and long term economic outcomes. To combat this, the government launched the Nashonuma Programme under the BISP in 2020, expanding nationwide by 2022. Currently operating in 158 districts through 559 facilitation centers, the program provides CCT to pregnant and lactating women (PLW) and children under two within BISP Kafalat families. Beneficiaries receive Rs 3,000 per quarter for boys and Rs 3,500 for girls, contingent on attending health checks, using specialized nutritious food (SNF), and ensuring child immunizations. SNF includes Maamta for mothers and Wawa mum for young children, along with comprehensive maternal and child health services. The programme aims to enhance long-term nutrition for adolescent girls (15-19) in vulnerable Kafaalat households across six districts. It supports the first 8,000 days of life through iron-folic acid supplements, health and nutrition awareness, and a quarterly CCT of Rs 1,500.

These programmes were implemented under the broader *Ehsaas Social Protection Framework (2019–2022)*, but BISP remained the underlying legal and administrative institution responsible for their design, beneficiary targeting, and funds disbursement. After 2022, programme administration and communication reverted to the **BISP framework**, while the programme structures, registries, and conditionalities have largely continued. Thus, these initiatives represent **institutional continuity within BISP**, with the policy umbrella name changing over time.

2. Zakat System in Pakistan

Immersed in the Islamic principles of mandatory charity, equitable wealth distribution and preventive measure against poverty, the *Zakat* (2.5 percent) on income and wealth and *Ushar* (one tenth) on agricultural produce are the oldest government controlled 'social safety nets'. From 1981 until 2010, it was a fully managed by the federal government; however, after the 18th Constitutional Amendment in 2010 it became a devolved subject and all the four provinces have enacted their own laws for the distribution of Zakat and Ushar. However, under the Rules of Business 1973 the collection of Zakat remains a federal competence. Therefore, each year, the Ministry of Poverty Alleviation and Social Safety Net, in coordination with the State Bank of Pakistan announces the Nisab of Zakat (ceiling on which it is deducted) in the last week of the Islamic month of Sha'aban. For this year, it was PKR

179,689. The collected funds are then given to the provinces and the federal capital according to a formula approved by the Council of Common Interests (CCI) in 2021. Every province has Provincial Zakat and Ushar Councils, actual distribution happens via District Zakat, and Ushar Committees that receive funds based on population.

Table: Disbursement of Zakat (2024-25)

Sr.#	Province/Federal Area	Rs million
1	Punjab	6,516.06
2	Sindh	2,693.44
3	Khyber Pakhtunkhwa	1,569.94
4	Balochistan	580.49
5	Gilgit Baltistan	158.78
6	ICT-Federal Capital	300.46
7	Erstwhile FATA given to Khyber Pakhtunkhwa	395.80

Source: Economic Survey of Pakistan 2024-25

The Zakat funds are distributed among the needy, including widows, orphans, persons with disabilities and other deserving requiring financial assistance, educational stipends or rehabilitation etc. Here it is pertinent to mention that Zakat and Ushar are religious taxes/contributions-therefore only the Muslims are entitled to benefit from them. Most of the times the Zakat utilization is done in a following way;

(a) *Guzara Allowance for* Mustahiqeen-e-Zakat (poorest ones) *(60*% currently PKR 2000 per month)

(b) Educational Stipends (18%) [PKR 500 per month up to matric, PKR 5000 per month for BS/PhD students. Vocational Training. At least 25 percent for female students]

(c) Deeni Madaris [Religious seminaries] (08%)

(d) Health Care (06%) and

(e) Marriage Grant (08%).

Some provinces (Sindh) also utilize it for release of prisoners.

Audit:

Media reported on September 13, 2024 that in the fiscal year 2021-22, the Sindh Provincial Zakat Authority had access to Rs 4.63 billion, but only Rs 859 million (18.5%) was disbursed. Rs 2.19 billion allocated for Zakat in Karachi was not utilized during the same period, while funds were disbursed to other districts without proper committee formation.

In Balochistan a portion of the funds is retained by the Central Zakat Fund and invested on a non-interest basis. The Zakat Department in Balochistan was abolished, and the distribution of funds is now managed by deputy commissioners. The Zakat Department in Balochistan distributes Rs 30 crore annually to those who are deserving, but it spends Rs 160 Crore to do so. The department has 80 vehicles to distribute the Rs. 300 million, and Zakat money has not been distributed to the deserving for the last 2 years. Due to poor performance, Chief Minister Balochistan Sarfaraz Bugti announced that the Zakat Department was being abolished, and Rs. 300 million Zakat will be distributed among the poor through deputy commissioners.

It is important to note that similar challenges had historically existed within BISP, where inclusion errors and ineligible beneficiaries were documented in earlier periods, contributing to misuse and leakage of funds. During the 2019–2022 reform period, BISP undertook a series of systemic improvements under the Ehsaas Social Protection Framework, led by Dr. Sania Nishtar, including:

- Re-verification of beneficiaries through NADRA
- Cleaning of the National Socio-Economic Registry (NSER)
- Biometric authentication for payments
- Digitized grievance redressal and transparency dashboards

These reforms resulted in the removal of over 1 million ineligible beneficiaries, improved targeting accuracy, and strengthened accountability. The lessons learned from BISP's reform trajectory underscore the importance of data-driven beneficiary identification, institutional oversight, and digital payment mechanisms for enhancing transparency and ensuring that Zakat and other social protection transfers reach eligible households effectively.

3. Pakistan Bait ul Maal (PBM)

Pakistan Bait ul Maal was established in 1991 through an Act of the Parliament to support the poor, including widows, orphans, persons with disability and others in need, to help them live dignified lives. Although the term 'Bait ul Maal' is in Islamic context but unlike Zakat and Ushar its coverage includes citizens of other faith as well.

Pakistan Bait ul Maal provides essential services like food, clothing, education and medical care to those who are unable to earn due to illness or unemployment. During 2024-25 (July-March) the PBM disbursed PKR 6.51 billion under its various schemes. Following is the detail:

Table: Head-wise Details of Financial Assistance

Sr. No.	Indicators	Nos of Beneficiaries	Amount Disbursed Rs million	%age share in total disbursement
a.	Individual Financial Assistance Medical	11,753	2,596.71	44.69
	Individual Financial Assistance Education	5,454	194.69	
	Individual Financial Assistance general	610	16.14	
	Individual Financial Assistance SFP	4,857	103.19	
b.	Cochlear Implant device & allied surgery cost @ Rs 2.15 million	597	1,285.00	19.73
c.	PBM Shelter Homes	1,176,349	270.26	4.15
d.	Khana Sab key Leay (KSKL)	867,725	163.60	2.51
e.	Women Empower Centres (WECs)	26,706	477.85	7.34

f.	Pakistan Sweet Homes (PSH)	4,169	835.92	12.83
g.	Orphan & Widow Support Programme	1,040	41.92	0.64
h.	Pakistan Old Home	28	8.35	0.13
i.	Institutional Rehabilitation for NGOs	11,643	19.51	0.30
j.	Schools for Rehabilitation of Child Labour (SRCLs)	19,042	500.25	7.68
	Total	2,129,973	6,513.38	100.00

Source: Pakistan Bait-ul-Mal

Pakistan Bait ul Maal operates in the entire country but in Punjab, there is an additional law. Punjab Bait-ul-Maal was established under the Punjab Bait-ul-Maal Ordinance of 1989 and the Punjab Bait-ul-Maal Act of 1991. The program operates under the Punjab Bait-ul-Maal Rules, 2003 (amended in 2023). Overall, Punjab Bait-ul-Maal is a crucial social welfare initiative aimed at improving the lives of vulnerable populations in Punjab by providing financial, educational, medical, and rehabilitation support.

Part-5

Constitutional provisions and Laws on Social Protection

In this part, we are talking only about some of the constitutional commitments and some windows opened through two laws namely, the Fiscal Responsibility and Debt Limitation Act-2005 and the Privatization Commission Ordinance, 2000. The Preamble of the Constitution of Islamic Republic of Pakistan talks about observing besides principles of democracy, freedom, equality and tolerance-'social justice' as enunciated by Islam. It also guarantee, fundamental rights, including equality of status, of opportunity and before law, social, economic and economic and political justice.

The notion of social justice is defined in academic literature as the concept of creating a society where resources, opportunities, and privileges are distributed fairly and equitably among all individuals, regardless of their background or circumstances. It emphasizes the importance of recognizing and addressing systemic inequalities related to factors like race, gender, class, and more.

Selected Articles:

Article 3: The State shall ensure the elimination of all forms of exploitation and gradual fulfilment of the fundamental principles, from each according to his ability to each according to his work.

Principles of Policy

Article 37 Promotion of social justice and eradication of social evils

The State shall-

1. promote, with special care, the educational and economic interests of backward classes or areas;
2. remove illiteracy and provide free and compulsory secondary education within minimum possible period;

3. make technical and professional education generally available and higher education equally accessible to all on the basis of merit;
4. ensure inexpensive and expeditious justice;
5. make provision for securing just and humane conditions of work, ensuring that children and women are not employed in vocations unsuited to their age or sex, and for maternity benefits for women in employment;
6. enable the people of different areas, through education, training, agricultural and industrial development and other methods, to participate fully in all forms of national activities, including employment in the service of Pakistan;
7. prevent prostitution, gambling and taking of injurious drugs, printing, publication, circulation and display of obscene literature and advertisements;
8. prevent the consumption of alcoholic liquor otherwise than for medicinal and, in the case of non-Muslims, religious purposes; and
9. decentralise the Government administration so as to facilitate expeditious disposal of its business to meet the convenience and requirements of the public.

Article 38. Promotion of social and economic well-being of the people

The State shall-

1. secure the well-being of the people, irrespective of sex, caste, creed or race, by raising their standard of living, by preventing the concentration of wealth and means of production and distribution in the hands of a few to the detriment of general interest and by ensuring equitable adjustment of rights between employers and employees, and landlords and tenants;
2. provide for all citizens, within the available resources of the country, facilities for work and adequate livelihood with reasonable rest and leisure;
3. provide for all persons employed in the service of Pakistan or otherwise, social security by compulsory social insurance or other means;
4. provide basic necessities of life, such as food, clothing, housing, education and medical relief, for all such citizens, irrespective of sex, caste, creed or race, as are permanently or temporarily unable to earn their livelihood on account of infirmity, sickness or unemployment;
5. reduce disparity in the income and earnings of individuals, including persons in the various classes of the service of Pakistan;

[Note the sub articles in Red deal with our topic-we may include entire article or just the relevant provisions]

Laws and policies:

Some reversals and some grey areas:

The Fiscal Responsibility and Debt Limitation Act-2005 besides fixing debt to GDP limit, talked about 'social and poverty related expenditures' and its section 3 (3) e asked to reduce public debt by not less than two and a half percent of the estimated gross domestic product during 2003-2013. The section specifically mentioned that, ‘provided that the social and poverty alleviation related expenditures are not reduced below 4.5 percent of the gross domestic product in any given year and budgetary allocation to education and health will be doubled from the existing level in terms of percentage of gross domestic products during the next ten years.’ Interestingly, these sections were deleted from the Act when it was amended in 2016 as part of Finance Bill.

Section 16 (2)-(a) of the Privatization Commission Ordinance, 2000 clarified about the utilization of privatization proceeds by specifying ‘ten percent shall be used for poverty alleviation and remaining ninety percent for retirement of federal government debt’. Whether, the 10 percent of the privatization proceeds were actually allocated or spent for poverty alleviation or not-there is no data available.

The 7th National Finance Commission Award came-up with a new formula for horizontal distribution of resources among the provinces. The resources distribution formula besides giving 82 percent premium to population distributed 10.30 percent on poverty and backwardness. These appear to be negative incentives. This might be changed to efforts to reduce poverty and backwardness.

However, the continued predominance of population as the primary basis for resource allocation has been widely noted as a potential negative incentive, as it may inadvertently discourage efforts to slow population growth or enhance demographic management. Policy discussions increasingly emphasize the need to revisit and rebalance this formula so that provinces that successfully invest in family planning, education, women’s empowerment, and reduction in dependency ratios are positively rewarded. Incentivizing population stabilization, rather than merely accommodating increased population size, could strengthen long-term human development and fiscal sustainability.

National Fiscal Pact (NFP)-2024 called to review the overlaps in social safety nets and urged the provinces to share the costs. Upon strict adherence to the NFP the provinces would have to share more responsibilities.

Nevertheless, we still have a reasonably extensive legal framework for social safety nets.

Part-6

Policy Recommendations:

- The first demand shall be to make the Principles of Policy-justiciable Fundamental Rights- as Pakistan has signed and ratified many international covenants and conventions that confirm these rights. The Constitution is fifty-one year old and the time has arrived to change the scheme of things.

- Through this brief review of various Social Safety Nets, it appears that Pakistan largely privileges charity model to facilitate the most vulnerable and poorest of the poor, whereas it urgently requires a ‘clarity model’ for long term, sustained and effective care institutions and mechanisms.

- Other than the specific affirmative actions for the transgender, PWDs and the senior citizens, the assumption for all (including the groups getting affirmative action) shall be to bring them out of the quagmire of poverty.

- Secondly, there are zero synergies and complementarity among various Social Safety Nets. We need to have one database for the BISP, Zakat and Pakistan Bait ul Maal beneficiaries. It is possible through the National Database Registration Authority (NADRA) by using the CNIC as a distinct identifier.

- In a weak and instable polity, the question of branding social safety nets is equally critical. Usually they convey a distinct political brand. We need to evolve a slightly mature culture and a consensus based approach. Remember these initiatives are not about ones leadership but supporting the poorest of the poor to survive and graduate out of poverty.

- Presently we do not have a gender-segregated data of poverty and the beneficiaries of various interventions-except the BISP (women as the center for the support). The Pakistan Bureau of Statistics shall work on it.

- If we calculate the number of ‘plastic cards’ with party colour or even party leaders pictures- the poorest of the poor will require a special wallet to keep all the cards in it. How many cards any poor can have? The best way is to make the Computerized National Identity Card (CNIC) a comprehensive card to offer various social safety related services.

Annex: 1

Federal Ministry of Poverty Alleviation and Social Safety

Vision

Ministry of Poverty Alleviation and Social Safety's vision is to establish an end-to-end system of social protection in the country by offering basic provisions of life and economic opportunities that will lift vulnerable groups out of poverty. It upholds the principles of transparent governance, equal opportunity and social welfare by leading initiatives and programmes providing protection against social and economic distress.

Mandate

Ministry of Poverty Alleviation and Social Safety is enabled to achieve that vision through its mandate of:

1. Providing necessities i.e., food and shelter
2. Providing secure livelihoods
3. Investing in human capital
4. Monitoring effective implementation of policies and strategies across federal and provincial institutions.

Ministry of Poverty Alleviation and Social Safety is also the governing Ministry for four organizations that have the mandate of providing relief to the poor. These organizations are as under:

- Benazir Income Support Programme (BISP)
- Pakistan Bait-ul-Maal (PBM)
- Pakistan Poverty Alleviation Fund (PPAF)
- Trust for Voluntary Organizations (TVO)

Besides, This Ministry is also entrusted to collect and disburse Zakat to Provinces and other areas.

The Ministry is implementing a Prime Minister Strategic Roadmap in order to improve governance, integrity, transparency and accountability. There are nine high impact initiatives in Strategic roadmap. It includes, Benazir Kafaalat programme, Benazir Nashonuma programme, Benazir undergraduate scholarship project, Benazir Taleemi Wazaif, National Poverty Graduation Programme, Interest Free Loan Programme, National Socio Economic Registry, New payment system and Mechanism for inclusion of beneficiaries in Benazir Kafaalat programme.

A set of seven time-bound goals and targets have been currently stipulated. These will be revised based on availability of new funding and partnerships.

- Safety net for at least 10 million families
- Livelihood opportunities for 3.8 million individuals
- Financial access to healthcare for 10 million families
- Scholarships and education incentives for 5 million students (50% girls)
- Financial and digital inclusion for 7 million individuals (90% women)
- Enabling environment for poverty reduction
- Equality promoting multi-sectoral partnerships and innovations

Source: **Information available on website: www.pass.gov.pk**

Awaz Foundation Pakistan

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For Governance and Accountability

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