

## Note for Record

By: **Shoaib Sultan Khan**  
April 17, 2014

Subject: **Meeting with the Prime Minister (PM)**

Thanks to Syed Shakeel Shah, Coordinator PM Youth Programme and PSO to PM Nabeel Awan, my meeting with the Prime Minister Nawaz Sharif was fixed on Wednesday, April 16, 2014.

The PM received me with great warmth and I reminded him of my meeting 21 years ago when he approved countrywide replication of AKRSP. I presented my book AKRSP: A Journey through Grassroots Development and pointed the description of the meeting in the book, which he read with some interest. He read the note I had written on the book for him and thanked me visibly pleased. I also presented him Noel Cossins book Man in the Hat. PM also read the letter he had written to His Highness the Aga Khan for my services to help NRSP IN 1992.

After these formalities, I submitted to PM that I have only come to request him to complete the unfinished agenda of 1992 and described how in India this approach of social mobilisation, initially adopted in Andhra Pradesh has now become a national programme, acclaimed by the World Bank as the largest poverty reduction programme in the world. He also read the extract from the Preface to Noel's book wherein the Indian Minister of Rural Development Mr. Jairam Ramesh had written about the programme initiated by me in Andhra Pradesh:

“ Shoaib Sultan Khan pioneered the concept through his landmark Aga Khan Rural Support Programme (AKRSP) in Pakistan .....

With the support of UNDP, he introduced the concept of poverty reduction through community organisations through South Asia Poverty Alleviation

Programme (SAPAP) in India and other South Asian Countries. The Pilot initiative of SAPAP led to a full-fledged programme based on the principles of development through community organisation under the Society for Elimination of Rural Poverty (SERP) in Andhra Pradesh with the support of World Bank. The project has seen the journey of over ten million organized households from despair to hope, from diffidence to confidence, from subjugation to empowerment in last decade. The spirit of community empowerment has continued to thrive in India since then. At the behest of Rahul Gandhi (parliamentarian from Amethi), he made a visit to the Rajiv Gandhi Mahila Vikas Pariyojana (RGMVP) villages in Uttar Pradesh and helped the project to reformulate its vision. RGMVP founded on the same set of core values and beliefs and thus has much to benefit from Shoaib Khan's vision and efforts."

I explained to the PM the importance of 3-tiered institutions of the people which RSPs foster as the Socio-economic Pillar to support and complement the Administrative Pillar and the Political Pillar of the State. I reiterated that functions of the Socio-economic pillar none of the other pillars are capable of undertaking. To reinforce my point I showed the PM the presentations of LSOs from Punjab, KP and Baluchistan highlighting the activities of the LSOs in all the fields of economic and social empowerment especially of women and peace measures that the LSOs are capable of taking in militancy affected areas of the country especially KP and Baluchistan.

I also presented NRSP's progress explaining how the endowment of Rs. 500 million enabled it to be present now in 56 districts with over 2.5 million households as members. It was unfortunate that PRSP despite Mr. Shahbaz Sharif's endowment of Rs. 500 million could not achieve similarly. The main reason being I explained to PM was unsuitable selection of Chief Executive Officers. As Akhter Hameed Khan used to say "you don't replicate programme you replicate people".

I showed the Prime Minister the Outreach published quarterly by RSPN and emphasized that over 30 years an extensive infrastructure of Institutions of the People is in place in 114 districts of Pakistan with 330,823 community

organisations, 5.4 million organized households in 3,549 Rural Union Councils out of 5,470 countrywide. I submitted to PM this infrastructure can be used to implement any grassroots programme of the government in the country such as PM Youth Programme. These institutions with the help of their Union Council Network Local Support Organisation (LSO) can now help in identification of eligible youth for the PM Youth Programme and also monitor if the youth is putting the loan to productive use. I showed the PM in LSO presentations how LSOs on their own initiatives have formed Youth Clubs and Societies to mainstream the youth in the development stream.

I showed the PM the recent Education Survey and how all educational indicators in Gilgit-Baltistan were highest in the country including girls enrolment which was 99% and I explained to PM that Baltistan is totally non-Islami. It all happened because of organized institutions of the people otherwise in terms financial of allocations, the Provinces had spent manifold resources compared to Northern Areas.

I urged the PM that all this programme will cost approx. 30 million rupees per union council over a period of five years and it will help bring 7.7 million rural households earn twice the amount a month which BISP is giving them without creating a sustainable income stream for them. In terms of Social Protection, it also includes health insurance for hospitalization, accidental death and destitutes at Rs. 25,000 each. The last government spent Rs. 165 billion and the same people, according to Chairman Enver Beg of BISP are still on BISP payroll. RSPs by spending same amount of money in a different way enables families within a year to start earning money. In two to three years, their incomes shoot upto Rs. 2,500 to 7,000 and above. I showed the PM data collection of the impact of CIF (community investment fund) by RSPs and these are all households in 0-18 poverty bands of the Poverty Score Card commissioned by BISP and done by RSPN with its partners of 13.8 million households comprising 78.5 million population.

At this stage PM sent for his Principal Secretary Mr. Javed Aslam, when I presented him a summary soliciting PM's approval to the Prime Minister's Poverty Reduction Programme:

1. The incidence of poverty in rural areas of Pakistan, according to Poverty Score Card commissioned by Benazir Income Support Programme (BISP) and undertaken by Rural Support Programmes Network (RSPN) comprising over 78 million population, 48% are below the poverty line and another 20% are in vulnerable band likely to fall below poverty line, if not supported.
2. The Social Mobilisation approach practiced by Rural Support Programmes (RSPs) in Gilgit, Baltistan and Chitral resulted in doubling the income of one million population in ten years, according to the World Bank. Now it is said to have tripled. The same approach implemented in India helped 45 million population in the State of Andhra Pradesh to come out of poverty.
3. In 1992, Prime Minister Nawaz Sharif had approved a countrywide programme for poverty reduction on the lines of AKRSP. Unfortunately, due to change of government, the programme was not implemented with the exception of establishment of National Rural Support Programme (NRSP) with an endowment of Rs. 500 million
4. In 148 districts/FATA/FRs, nearly 18.7 million households reside in 5470 Rural Union Councils with an average of 3,316 households.
5. In each Rural Union Council, 1410 households are below poverty line and 1215 households need indirect support. Thus 2625 households need to be benefitted by PMPRP. Over a period of 5 years, the PMPRP requires an allocation of only Rs. 3 crores (Rs. 30 million) per Union Council.
6. The PMPRP is aimed at increasing incomes of 7.7 million households to enable them to earn more than what BISP is giving them on a monthly basis.
7. In addition PMPRP will indirectly benefit 6.6 million rural households.

8. In the realm of Social Protection, the Programme will provide health insurance for hospitalization, compensation for accidental death and disability at Rs. 25,000 each for Extremely Poor and Chronically Poor families according to poverty survey comprising 5.9 million families for a period of five years.
9. In view of the facts stated in aforementioned paragraph, Prime Minister's approval is solicited as below:
  - 1) Direction to Chairman BISP to implement PMPRP by revamping and reorienting expenditures on BISP and launching PMPRP along with BISP;
  - 2) Request to World Bank by EAD to approve US\$ 500 million for the Third Phase of Pakistan Poverty Alleviation Fund (PPAF) to implement PMPRP; and
  - 3) Direction to Planning Commission to include PMPRP in Annual ADP of the Division.

He asked the Principal Secretary about his views. Javed Aslam informed the PM that according to the World Bank and ADB, the BISP is the most effective, transparent and accountable way of transferring cash to the poor people according to Poverty Score Card, which he conceded was done by RSPs. He further observed the overheads of NRSP are very high. They have indulged in constructing palatial buildings compared to Akhuwat which charges only 10% as their operational cost and delivers interest free loans to poor people.

As I had not been introduced to him before I asked his name and PM interjected that he is my Principal Secretary. I submitted to PM that I am not challenging that BISP system does not succeed in delivering money to people, my request is that the same money given in a different way like RSPs helps in generating an income stream and Javed's concern that we reach very few people, the fact is that RSPs have the largest framework of grassroots institutions and given resources millions of households can be reached in an equally transparent,

accountable and much speedier way. As to NRSP's overheads, these are much less than general impression (in fact CEO NRSP verified that it is only 10.8%). I informed Javed if NRSP's overheads were that high they would not have accumulated an endowment of Rs. 4,000 million on Rs. 500 million which the PM had sanctioned in 1992.

Javed observed that the PMPRP is very expensive for example in case of Punjab over 80 billion rupees will be needed. I clarified that this would be over 5 years and would constitute only 5.5% of the total ADP allocation of the province, even if we assume that the current year's ADP, allocation would remain static with no increases in subsequent years. I submitted to PM to bring 3.73 million households above the poverty line and to indirectly benefit another 3.71 million households above it, the resources asked for, are more than justified.

I submitted as to Donors they will always try to accede to government requests if it fulfills their criteria. The same World Bank has given one billion dollars to Government of India for the National Rural Livelihoods Mission which is based on the development principles espoused by RSPs. I also presented to the PM an email which I had received from Pakistan Country Director World Bank Mr. Rachid Benmassaoud in reply to my email that he had no objection to my saying to PM that the World Bank will support a social mobilisation and poverty reduction programme through PPAF, if a request is received from the government.

As the Prime Minister had been most indulgent, I submitted that PM should follow his intuitions if he is convinced of what I am saying. Like 1992 he should approve the proposal otherwise I am now nearing 83 years of age and 61 years of working life, my sole objective of coming to him was to place my experience at his disposal to use it for reducing poverty of nearly 8 million extremely and chronically poor households and indirectly helping another 6 million households who otherwise would fall below the poverty line if they are not supported. As to

Akhuwat, it is an excellent programme Amjad Saqib worked with me and left PRSP because of the reasons I had mentioned. I am talking of scale. In five years PM has to make a dent in the poverty profile of the country and RSPs are offering to do it, if resources are made available.

PM is welcome to have opinions and consultations but I know they would not allow this programme to happen. I mentioned my experience with Mr. Shahbaz Sharif. How excited he was and mentioned that within 7 days he will get this proposal approved by the Cabinet. Now it is sixth month and I am still waiting. My hope rests only in PM. My dream of countrywide programme which PM had made a reality in 1992, the PM is the only one who can make it a reality again.

My 15-minute slot was now reaching 45 minutes. I took leave of the PM, who stood up embraced and assured me he will make use of my experience.

Allah knoweth best.

The PowerPoint presentation presented to the PM is attached.