Prime Minister’s Poverty Reduction Programme (PMPRP)

Socio-Economic Development through Active Community Participation
March, 2015
• Development policy is almost always about industrialisation and rarely about poverty.
• Current trends of globalisation creating inequity and impoverishment
• 20% of the world population consumes 80% of global resources. The poorest 20% only account for 1.3% of global consumption.
Main Recommendations of ISACPA* - 1991

• The centre-piece of a policy framework for poverty alleviation has to be the mobilisation of the poor in order to enable them to participate directly in the decisions that affect their lives and prospects.

* Independent South Asian Commission on Poverty Alleviation (ISACPA)
Why Poverty in South Asia

- The public sector makes huge investments but does not create a receiving mechanism for delivery of goods and services at the grassroots.

- Commonly it does not effectively involve poor communities when planning or delivering ‘development’.
Proposal for reducing poverty and improving quality of life of people

• By linking political and administrative pillars with the socio-economic pillar (community institutions);

• By engaging people for their own development; and

• By building the capacities of people and increasing the outreach of government and other development actors for effective supply and genuine demand.
Three Pillars of State

Essentials of Good Governance/Welfare State

- **Administrative Pillar:**
  - Central, provincial and local governments, Judiciary, Police and Other institutions of (From the PM/President to the Patwari)

- **Political Pillar:**
  - National and Provincial Assemblies, District & Union Councils

- **Functions of Local Government:**
  - Political education;
  - Inter village planning;
  - Coordination with government departments; and
  - Local taxation
None of the Federal Ministries, Provincial & District Departments or Elected Bodies have the capacity to engage all or overwhelming majority of people especially the vulnerable and the poor in planning, implementing and monitoring their own development agenda; and

They are not equipped with the tools required to:
- assess the economic status of each household;
- prepare a development plan for each household;
- design products and projects that meet their local requirements; and
- Assess the needs of each village and prepare a village development plan based on villagers perceptions and aspirations
Fostering of Socio-Economic Pillar through social guidance cannot be undertaken by government departments or NGOs. It requires an institutional mechanism which has the resources of the government and flexibility of an NGO, such as Rural Support Programme (RSP).
• Implementation Strategy and Institution Building by Governments of South Asia:
support financially and administratively the establishment of independent, non-governmental and national level support mechanisms to catalyse formation of organisations

* ISACPA – 1993 SAARC Summit
Creating a receiving mechanism in the community requires “social mobilisation” entailing: Harnessing people’s potential to help themselves by:

a. Helping people to organise themselves
b. Identifying true and genuine activists
c. Training and capacity building of village activists on a very large scale to substitute a large army of paid extension workers
d. Identifying and prioritising what people are willing to undertake in terms of opportunities and not demands.

e. Undertaking feasibility of identified opportunities.

f. Facilitating, arranging and securing flow of required resources for undertaking identified opportunities.

g. Monitoring, lobbying on behalf of communities, establishing linkages between communities and government departments and others such as District Councils, Union Councils, NGOs and donors.
Three-Tiered Social Mobilisation

Local Support Organisation (LSO): Union Council Level
• Federation of Village Organisations
• LSO Leaders, Executive Committee and General Body.
• Exec Comt: all VO leaders; General Body: All CO leaders
• All villages represented in LSO

Village Organisation (VO):
• Federation of Community Organisations
• Leaders and General Body (all CO Presidents and Managers)
• All mohallas/settlements represented in VO
• 100% inclusion of poorest households through COs

Community Organisations (CO):
• Participatory body (Leaders and Members)
• Separate COs for Men and Women
• Each CO to have 15-25 members
Social Mobilisation is based on the assumption that the poor, landless and asset-less, have the capacity and are willing to undertake development activities to improve their situation. The RSPs as support organisations enable this potential to be harnessed through a process of social guidance. This entails:

- **SOCIAL ORGANISATION**
  Bringing the poor into an organised fold

- **HUMAN RESOURCE DEVELOPMENT**
  Upgrading of human skills of the poor, such as managerial, productive and cooperative skills to enable them to make the best use of available resources

- **CAPITAL FORMATION**
  Generation of capital through the discipline of savings - as capital is power, without which the poor can never hope to be self reliant
Social Mobilisation Process

• Series of Dialogues to assess people’s willingness to form Community Organisations (COs) to undertake development work

• Poverty ranking of all HH in village to ensure inclusion of poor in COs

• CO forms and selects activists, start regular meetings and savings programme
The Process … contd

• CO prepares Micro-Investment Plan
• Accordingly the RSP provides technical, financial support and
• Facilitates linkages with line agencies and other service providers (e.g. Banks, NGOs etc.)
What is the Poverty Scorecard?

- Poverty Scorecard is a simple and practical tool to measure poverty levels at
  - Household level
  - Deh
  - UC
  - Taluka
  - District
- It can also determine how poverty levels can change over time with interventions.
  - Can also be used for implementing poverty reduction programmes/projects and more importantly, their impact on ground
What is the Poverty Scorecard?

- Poverty Scorecard was initially prepared by Grameen Foundation USA and is based on the Pakistan Integrated Household Survey (PIHS) data 2001 by Statistical Division, Govt. of Pakistan

- Recently, the World Bank has adopted this with some modifications

- Results continue to be consistent

- It is blind and neither the observer, nor the respondent can interpret the results

- E.g. It does not ask direct questions about income and expenditures
## Micro-Investment Plans

<table>
<thead>
<tr>
<th>Levels</th>
<th>Plans Identified</th>
<th>Interventions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household</td>
<td>• Income Generation</td>
<td>• Training</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Community Investment Fund (CIF)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Line of Credit</td>
</tr>
<tr>
<td>Group Level</td>
<td>• Land Development</td>
<td>• Line of credit</td>
</tr>
<tr>
<td></td>
<td>• Enterprises</td>
<td>• Training</td>
</tr>
<tr>
<td></td>
<td>• Input Supply &amp; Marketing</td>
<td>• Technical Assistance</td>
</tr>
<tr>
<td>Village Level</td>
<td>Social Sector Services such as:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• DWSS &amp; Sanitation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Education</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Infrastructure needs</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Productive Infrastructure</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Linkages with Government Agencies, Donors and NGOs</td>
</tr>
</tbody>
</table>
Standard Social Mobilisation Module

A holistic model of development for poverty alleviation to be followed which include the following:

1. Social organisation;
2. Human Resource Development;
3. Credit and savings; CIF (interest free);
4. Technical assistance in NRM;
5. Development of Physical Infrastructure
6. Linkages with Government Departments, Local Councils, NGOs, Commercial and Development Agencies.
Social Mobilisation as Social Auditor

- Act as watchdog to prevent discrimination against the poor
- Act as conduit for complaints of the poor against District/Union Council/VDCs/Thana and Community Organisation/Committees/Office Bearers
- Ensure transparent use of public funds allocated to Local Councils/VDCs/DDCs/Community Organisation.
Lessons

• There is nothing more powerful than the dynamism of communities to drive the development process forward.

• Autonomous and sustainable ‘support organisations’ are needed to undertake social mobilisation at the grassroots to ‘harness’ people’s potential.

• RSPs and govt. need to work together to achieve scale and have significant impact. RSPs need to scale up social mobilisation for this purpose.
RSPs: Outreach & Management

- RSPs presence in Districts (out of 131)
  - 115 Districts in all Provinces, AJK & GB + 4 FATA + 1 FR
  - 3617 Rural Union Councils out of 5568

- Field Offices across Pakistan
  - 115 District Offices
  - 232 Tehsil Offices
  - 824 Settlement Offices

- Trained Professional Staff
  - 12,000

- Financial and operational manuals that comply with International Accounting Standards (IAS)

- Third Party Audit reporting by top audit firms
RSPs History

- AKRSP
  - Started in 1982 by HH Prince Karim Aga Khan
- SRSP
  - Started in 1989, setup by the NWFP Government
- NRSP
  - Started in 1992, setup by the Federal Government; under orders of Prime Minister Muhammad Nawaz Sharif
- GBTI
  - Started in 1995 with funding from WAPDA
- PRSP
  - Started in 1998 by the Punjab Government; under orders of Chief Minister Muhammad Shahbaz Sharif
- BRSP
  - Started in 1991, by the Balochistan Government
- SRSO
  - Started in 2003 by the Sindh Government
- AJKRSP
  - Started in 2007, by the AJK Government
The Outreach of the Rural Support Programmes Across Pakistan

- **AKRSP**  Aga Khan Rural Support Programme - 1982
- **SRSP**  Sindh Rural Support Programme - 1989
- **NRSP**  National Rural Support Programme - 1992
- **IRM**  Institute of Rural Management - 1993
- **GBTI**  Ghazi Barot Rural Support Programme - 1995
- **TRDP**  Thardeep Rural Development Programme - 1997
- **FRSP**  Punjab Rural Support Programme - 1998
- **BRSP**  Balochistan Rural Support Programme - 2001
- **SGA**  Sindh Graduates Association - 2002
- **SRSO**  Sindh Rural Support Organization - 2003
- **FIDA**  Foundation for Integrated Development Action - 2004
- **AJKRSP**  Azad Jammu & Kashmir Rural Support Programme - 2007

RSPs are present in 115 out of 131 districts, and 5 out of 13 FATA/FRs.
Key Impacts of Andhra Pradesh (India)
Poverty Reduction Programme through Social Mobilisation
As of June 2012.

- **9.6 million poor**
- **Social Risk Management**
- Number of centers: 4,225
- Liter milk procured daily: 274,833

- **V.O Milk Procurement Centers**
- **US$677 million saved**
- **Community Savings**
- **US$ 1.43 billion**
- **Commercial Banks Loan accessed (2011-12)**

- **3.1 million poor**
- **Food Security**

- **0.34 million**
- **Person with disability Helped**

- **11.55 million (100% women)**
- **Membership**

- **MMS: 1,098**
- **VOs: 38,821**
- **SHGS: 1,059,056**

- **US$ 462.43 million**
- **Collective Marketing of Agri.Produce (2011-12)**

- **12 million acres**
- **Community Managed Sustainable Agriculture by 2014**

- **Social Risk Management**

As of June 2012.
India
National Rural Livelihood Mission
(2011-2017)

Total No. of Households to be organised
70 Million (approx. 350 million population)

Total Estimated Cost
US$ 5.1 billion
(12th Five Year Plan)
# Profile of Pakistan by Province

<table>
<thead>
<tr>
<th>Name of Province/Area</th>
<th>Number of total districts/areas in the province/area</th>
<th>Number of Rural Union Councils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Islamabad Capital Territory (ICT)</td>
<td>1</td>
<td>12</td>
</tr>
<tr>
<td>Balochistan</td>
<td>32</td>
<td>663</td>
</tr>
<tr>
<td>Khyber Pakhtunkhwa (KP)</td>
<td>25</td>
<td>866</td>
</tr>
<tr>
<td>Sindh</td>
<td>24</td>
<td>921</td>
</tr>
<tr>
<td>Punjab</td>
<td>36</td>
<td>2,635</td>
</tr>
<tr>
<td>Azad Jamu and Kashmir (AJK)</td>
<td>10</td>
<td>196</td>
</tr>
<tr>
<td>Gilgit-Baltistan (GB)</td>
<td>7</td>
<td>103</td>
</tr>
<tr>
<td>Federal Administered Tribal Areas (FATA)/Frontier Regions (FRs)</td>
<td>13</td>
<td>190</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>148</strong>*</td>
<td><strong>5,586</strong></td>
</tr>
</tbody>
</table>

*Includes FATA/FRs

**Source:** NRB website, District Census data, BISP and RSPs own surveys  
**Note:** total number of UCs does not include urban areas of large cities  
Rural Union Councils include some of the adjoining peri urban Union Councils  
District Lehri from Sibbi and Sohbatpur from Jafroabad established in May, 2013 by the Caretaker Government
### Profile of Rural Pakistan

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Districts / FATA / FRs</td>
<td>148</td>
</tr>
<tr>
<td>Total number of UCs</td>
<td>6,800</td>
</tr>
<tr>
<td>Number of Rural UCs</td>
<td>5,586</td>
</tr>
<tr>
<td>Rural HHs (Million)</td>
<td>18.2</td>
</tr>
<tr>
<td>Average HH Size</td>
<td>6.49</td>
</tr>
<tr>
<td>Average size of a Rural UC</td>
<td>3,247</td>
</tr>
</tbody>
</table>
# Poverty Profile of Pakistan

(Sample of 159 Union Councils of 14 Districts from Punjab, Sindh, KP, Balochistan and AJK)

<table>
<thead>
<tr>
<th>Categories</th>
<th>PSC Ranges</th>
<th>% of HHs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extremely Poor</td>
<td>0 to 11</td>
<td>17%</td>
</tr>
<tr>
<td>Chronically Poor</td>
<td>12 to 18</td>
<td>16%</td>
</tr>
<tr>
<td>Poor</td>
<td>19 to 23</td>
<td>15%</td>
</tr>
<tr>
<td>Non-Poor</td>
<td>24-100</td>
<td>52%</td>
</tr>
</tbody>
</table>

**Note:** World Bank Poverty Score Card (PSC) conducted by RSPs in 2009 & 2011 under UCBPRP, BKPRP and WB/PPAF funded Livelihoods Enhancement Project
The Socio-Economic Pillar

The partnership Proposal for Socio-Economic Development of Rural Pakistan

- To bring 8.7 Million households out of poverty
- To increase incomes of over 8.7 Million households by a minimum of Rs. 1,500 / month / HH
- Total number of indirect beneficiary HHs 5.5 million
- Total number of beneficiary HHs 14.2 million
Proposed Activities

- Complete analysis of Pakistan Poverty Score Card Survey to identify priority union councils and the poverty levels;
- Fostering institutions of people;
- Preparation of Micro Investment Plans and Village Development Plans;
- Apprenticeship (local level Technical Skills);
- Asset transfers to the most vulnerable;
- Insurance to cover Accidental death, disability and Hospitalization;
- Community Managed credit programme through Community Investment Fund;
- Critical physical infrastructure;
- **Linkages with government line agencies for agriculture, livestock, afforestation etc;**
- **Linkages with government line agencies for improving access to education, health and registration (CNIC, voters etc); and**
- **Facilitating governments at all level on engaging community for civic responsibilities**
- **Process Monitoring by Involving Communities**
## Budget Summary (5 Years)

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget per Union Council (UC) (Rs. Million)</td>
<td>33.4</td>
</tr>
<tr>
<td>No. of Income beneficiary Households in a UC</td>
<td>1,554</td>
</tr>
<tr>
<td>No. of Indirect beneficiaries per UC</td>
<td>979</td>
</tr>
<tr>
<td>No. of beneficiary Households in a UC</td>
<td>2,533</td>
</tr>
<tr>
<td>Total No. of rural UCs in Pakistan</td>
<td>5,586</td>
</tr>
<tr>
<td># of Income Beneficiary Households in all UCs (Million)</td>
<td>8.7</td>
</tr>
<tr>
<td># of Indirect Beneficiary Households in all UCs (Million)</td>
<td>5.47</td>
</tr>
<tr>
<td>Budget for Pakistan (Rs. Million)</td>
<td>186,674</td>
</tr>
<tr>
<td>Average HH Size</td>
<td>6.49</td>
</tr>
<tr>
<td>Budget per Income beneficiary HHs (Rs)</td>
<td>21,499</td>
</tr>
<tr>
<td>Budget per All beneficiary HHs (Rs)</td>
<td>13,194</td>
</tr>
<tr>
<td>Budget per Capita Income beneficiary HHs (Rs)</td>
<td>3,313</td>
</tr>
<tr>
<td>Budget per capita all beneficiary HH (Rs)</td>
<td>2,033</td>
</tr>
</tbody>
</table>
## 5 Years’ Roll Out Plan

<table>
<thead>
<tr>
<th></th>
<th>Year-1</th>
<th>Year-2</th>
<th>Year-3</th>
<th>Year-4</th>
<th>Year-5</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project UCs</strong></td>
<td>737</td>
<td>2,270</td>
<td>4,344</td>
<td>5,103</td>
<td>5,586</td>
<td>5,586</td>
</tr>
<tr>
<td><strong>COs</strong></td>
<td>73,700</td>
<td>227,000</td>
<td>434,400</td>
<td>510,300</td>
<td>558,600</td>
<td>558,600</td>
</tr>
<tr>
<td><strong>Project funds (Rs. Million)</strong></td>
<td>24,629</td>
<td>51,230</td>
<td>69,309</td>
<td>25,364</td>
<td>16,141</td>
<td>186,674</td>
</tr>
<tr>
<td><strong># of income beneficiary households served (Million)</strong></td>
<td>0.54</td>
<td>2.06</td>
<td>2.48</td>
<td>1.73</td>
<td>1.88</td>
<td>8.7</td>
</tr>
<tr>
<td><strong># of insured HH (Million)</strong></td>
<td>0.78</td>
<td>2.39</td>
<td>4.56</td>
<td>5.36</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td><strong>Sustainable access to CIF and insurance HH (Million)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8.7</td>
</tr>
</tbody>
</table>
## Budget Details (per Union Council – 5 Years)

<table>
<thead>
<tr>
<th>Category</th>
<th>Unit Type</th>
<th>Unit #</th>
<th>Unit Cost</th>
<th>Total (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengthening of Community Institutions (COs/VOs/LSOs)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social mobilization &amp; capacity building</td>
<td></td>
<td>2,371</td>
<td>1,200</td>
<td>2,844,722</td>
</tr>
<tr>
<td><strong>Total number of Community Organizations</strong></td>
<td></td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total number of Village Organizations</strong></td>
<td></td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total number of Local Support Organizations</strong></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SUB TOTAL Strengthening of Community Institutions (COs/VOs/LSOs)</strong></td>
<td></td>
<td></td>
<td></td>
<td>2,844,722</td>
</tr>
<tr>
<td><strong>Beneficiary households for income generation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer of productive assets (Rs)</td>
<td>HH</td>
<td>150</td>
<td>25,000</td>
<td>3,750,000</td>
</tr>
<tr>
<td>CIF (Rs)</td>
<td>HH</td>
<td>1,400</td>
<td></td>
<td>5,600,000</td>
</tr>
<tr>
<td>Apprenticeship for gainful employment (Rs)</td>
<td>HH</td>
<td>200</td>
<td>8,000</td>
<td>1,600,000</td>
</tr>
<tr>
<td>Support for agriculture inputs (Rs)</td>
<td>HH</td>
<td>145</td>
<td>25,000</td>
<td>3,625,000</td>
</tr>
<tr>
<td>Support for livestock (Rs)</td>
<td>HH</td>
<td>150</td>
<td>20,000</td>
<td>3,000,000</td>
</tr>
<tr>
<td><strong>SUB TOTAL income generation (Rs)</strong></td>
<td></td>
<td></td>
<td></td>
<td>17,575,000</td>
</tr>
<tr>
<td><strong>Beneficiary households for social protection</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance (Rs)</td>
<td>HH</td>
<td>1,080</td>
<td>4,000</td>
<td>4,320,000</td>
</tr>
<tr>
<td>Critical infrastructure (Rs)</td>
<td>CCIs/UC</td>
<td>12</td>
<td>500,000</td>
<td>6,000,000</td>
</tr>
<tr>
<td><strong>SUB TOTAL social protection (Rs)</strong></td>
<td></td>
<td></td>
<td></td>
<td>10,320,000</td>
</tr>
<tr>
<td><strong>Physical infrastructure through Local Government Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Access and improvement of education and health</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improvement in registration of birth, CNIC, voters, deaths</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds for technical assistance and supervision (Rs)</td>
<td></td>
<td>9%</td>
<td>2,510,550</td>
<td></td>
</tr>
<tr>
<td>Process Monitoring</td>
<td></td>
<td></td>
<td>167,993</td>
<td></td>
</tr>
<tr>
<td><strong>GRAND TOTAL (Rs)</strong></td>
<td></td>
<td></td>
<td></td>
<td>33,418,265</td>
</tr>
</tbody>
</table>
Minimum Verifiable Financial Returns on investment against the budget of Rs 186,674 Million

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td># of Households to be brought out of poverty (Million)</td>
<td>8.7</td>
</tr>
<tr>
<td>Minimum amount of income (Rs) to be increased per annum of the above households</td>
<td>18,000</td>
</tr>
<tr>
<td>Minimum total value for income (Rs) of households in 5 years (Rs. Million)</td>
<td>578,638</td>
</tr>
<tr>
<td>Community Savings mobilized COs @ Rs 10,000/CO (Rs. Million)</td>
<td>5,586</td>
</tr>
</tbody>
</table>
Minimum Verifiable Social Returns

✓ A transparent, accountable and inclusive system of organizations of people established at the grassroots
✓ A mechanism for the monitoring of projects of LGs developed
✓ 1.12 Million CO managers trained in financial management
✓ Over 1.12 million youth trained in a variety of trades to provide a diverse range of services at the local level
✓ A platform for Government – People dialogue established
✓ A permanent system for the provision of financial services (savings, credit) established.
✓ Access of people especially the poor to public services increased (agriculture, health, education etc)
✓ People sensitized to participate in meeting civic responsibilities eg CNIC registration, cleanliness, energy conservation, disaster management, environment protection etc
THANK YOU!