

Policy Brief

Improving Pakistan's Social Safety Nets: A Policy Analysis

Wajiha Haq

Department of Economics,
School of Social Sciences and Humanities,
National University of Sciences and Technology, Pakistan
Email: dr.wajihahaq@s3h.nust.edu.pk

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1. INTRODUCTION

Amidst stagnant economic growth, the Benazir Income Support Program was designed as one of the unconditional cash transfers in 2008 to remove the chronic intergenerational poverty and gender inequality. Over time, the issue of out-of-school children and malnutrition has also been addressed through this program. BISP, now running under an enhanced structure, is one of the biggest social safety nets of South Asia. At present, it is supporting over 9.3 million families at a cost of around PKR 471 billion.¹ Due to the size and significance of the program, it is vital to reflect on whether its disbursement mechanisms are effective. The main source of BISP's funding is the federal budget, though the institution also receives additional funding from international development partners such as the World Bank, DFID, and the Asian Development Bank.

The Benazir Nashonuma Program (BNP) is a sub-program of the main social safety net called the Benazir Income Support Program (BISP). BISP was established in the face of rising global food prices and increasing poverty in the country. The purpose of BISP was to provide unconditional cash transfers to vulnerable groups and to empower women by directing funds to female household members. BNP came into existence in 2021 as a conditional cash transfer towards pregnant and lactating women and children under two years of age to improve their nutritional status.

¹ Government of Pakistan, Benazir Income Support Programme, (2023) [https://bisp.gov.pk/SiteImage/Misc/files/PR%20\(Dec%2011%2C%2023\).pdf](https://bisp.gov.pk/SiteImage/Misc/files/PR%20(Dec%2011%2C%2023).pdf), Accessed on 12 November 2025.

The BNP was a behavioral intervention² which was supposed to improve the nutritional status of mothers, reduce child stunting and low birth weight and encourage dietary diversity in the first 1000 days of a child through cash incentives. Pregnant and lactating mothers with boys under 2 years of age received PKR 2000, and with girls received PKR 2500. In return for cash, mothers were mandated to attend all awareness sessions on dietary diversity and visit health centers for antenatal checkups and immunization of the child. The program also included the provision of a lipid-based nutritional supplement (Maamta) to mothers and a micronutrient-based supplement with the recommended daily allowance to children from 6-23 months of age (Wawamum). The program operates through 550 facilitation centers across Pakistan.

2. RESEARCH OVERVIEW

2.1. Implementation caveats

Beneficiary selection mainly occurs through the NSER using a poverty scorecard system. NSER is the primary source of identification for eligible households. While NSER works with NADRA, it is not connected to other important national systems. These gaps may result in an inaccurate or partial entry, which compromises its reliability. As a result, these flaws increase the chance of including or excluding the wrong people, making it easier to manipulate targeting. The accuracy and promptness of beneficiary identification are further diminished by third-party partners' limited financial and human resources. Upgraded digital payment methods have been introduced by BISP, but there are still several operational obstacles. Inadequate process designs between point-of-sale agents and partner banks have led to complaints from beneficiaries and general irregularities. Habib Bank Limited handles payments in Punjab, and shop-based franchises that use biometric devices run the business. Transparency has been compromised by these third-party agreements, which have revealed instances of collusion between bank employees, agents, and local staff. Because the camera has low resolution and is unable to effectively scan the CNIC and photos, biometric devices frequently malfunction, causing beneficiaries to experience inconvenience. The procedure has resulted in needless verification delays and non-payment for these extremely minor issues, which has encouraged agents to take advantage of beneficiaries. It has been observed that some agents take thumb impressions but keep the money because of fictitious mismatches and

² Hasan, M., & Masood, M. M. (2024). Equitable and Transparent Cash Disbursement under the BISP Program: An Analysis. *Perennial Journal of History*, 5(1), 144-164.

send the recipients to NADRA for updates, which causes the disbursement to be delayed by up to two weeks.

Additionally, incomplete documentation of device ID/IMEI numbers and paper copies of receipts may make it more difficult to locate or hold individuals accountable. HBL has also established online photo checks, which are not always successful. Inadequate collaboration between BISP, banks, and NADRA may increase the risk of financial leaks and lead to payout issues. The poorest households in some places have unofficially reported having difficulty with access points.

BISP struggles to monitor what it already can because of a staffing shortage. Sixty percent of the monitoring positions in Punjab remain vacant, and only 164 of the 411 positions intended to be filled have been filled. This discrepancy increases the risk of dishonesty, errors, and cheating in Punjab, where 3 million people get aid. It is also more difficult to put out fires when staff management is ineffective.

3. RESEARCH FINDINGS

Additionally, the data on the BISP dashboard reveal approximately equal proportions of men and women beneficiaries, which raises questions about the program's recruitment, as it is for women only. The majority of the assistance is given to women, who encounter numerous obstacles in obtaining it. Most women in low-income households do not have ID cards or phones—only 25% of women have a phone, compared to 68% of men—and only 5.4% have their own bank account.²

Other factors include restrictions on a woman's activities, their inability to travel freely, and not being able to access technology. BISP provides short-term cash relief, but it is not enough to support long-term financial growth. Beneficiaries who have no chance of employment or learning a new skill believe that money transferred to them from BISP is a lifeline. Because it has no link to industries that create jobs, the BISP's recipients continue to struggle with poverty.

The real value of the BISP cash transfer has also decreased over time. The inflation increase is more than just a cash transfer.³ The conditionality of the cash transfer does not include capacity building.

³ Benazir Income Support Programme. (2020). *Evaluation Report*. Government of Pakistan. Retrieved October 10, 2023, from <https://www.bisp.gov.pk/SiteImage/Misc/files/BISPEvaluationReportVer%20withoutFINAL.pdf>

4. FUTURE PLANS AND POLICY SUGGESTIONS

The National Socio-Economic Registry needs to be updated immediately. Linking it with civil records and national ID systems will enhance its precision and eliminate duplications. Eliminating difficulties in reaching out to deserving people may be achieved by enhancing local checks & balance and increasing access to digital systems.

The key strategy to scale up BISP's impact might be linking cash transfers to livelihood programs, job-oriented training, and skill development. In order to help people find jobs or become entrepreneurs, the agencies can liaise with private businesses and training facilities for upskilling of individuals. In case the household is suffering from malnutrition or disease, priority should be to provide support for preventing further falling into chronic poverty.

Funding can also be provided by the government in collaboration with private companies and provincial authorities. But greater emphasis should be placed to strengthening the tax structure to generate government revenue, so that this program does not suffer from budgetary constraints.

To account for inflation, the program must continuously index the value of cash transfers with inflation rates. This action will allow families to maintain their real spending to keep mothers' nutritional status intact.

The government needs to take measures to ensure that women are well supported by this program and not manipulated by male family members due to a lack of financial education. Women should be given access to mobile banking and digital payment systems.

BISP should focus on hiring and training a skilled and competent team that can handle this project efficiently, detect any irregularities, and take prompt action as needed.

Strict monitoring and evaluation are required to create transparency in the whole system for efficient dissemination and targeted outreach of social protection.

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