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# RSPs ANNUAL STRATEGY RETREAT

# 2019

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## Overview

Rural Support Programmes Network (RSPN) hosted a two-day RSPs' Annual Strategy Retreat 2019 on 24-25 September, 2019 at Pearl Continental Hotel, Bhurban, Murree. The retreat was organised to provide a platform for the Rural Support Programmes (RSPs) to share their experiences, review strategic aspects of RSPN and RSPs' work and reflect on the way forward for consolidated and enhanced efforts to poverty reduction through community driven development. The retreat also provides opportunities to other donors to learn about the RSPs' social mobilisation approach and develop their interest to support this approach, and develop synergies between EU supported programmes for RSPs and their own ongoing programmes.

This year's retreat was especially crucial in the context of the recently launched federal government's *Ehsaas* programme. Chairman RSPN Mr Shoaib Sultan Khan emphasised on the outreach RSPs possess in reaching every household in Pakistan for socio-economic empowerment that offers value addition to the government's national initiative.

The retreat was well-attended by representatives from four provincial governments and AJK and GB, community representatives, diplomats, donors and development practitioners, including the Additional Chief Secretary of Punjab Capt. (R) Aijaz Ahmad, Additional Chief Secretary AJK Dr. Syed Asif Hussain, and Deputy Head of Mission Mr Sigbjorn Tenfjord from Norwegian Embassy.

Allowing panel discussions on important topics such as poverty graduation, rural development enterprise, and community paralegal programmes, leads to opportunities of experience sharing and lessons learnt between participants. The presence of media with 6 newspaper coverage in publications such as "The News", "Dawn" and "The Nation" further amplified the challenges and lessons learnt from RSPs programmes and their contribution towards poverty graduation.





## Summary of the Proceedings

A summary of each of the session are presented in the following sections:

### Session I: Poverty Graduation – Experiences and Learning from Pakistan

1. This session consisted of eight main presentations by representatives of Rural Support Programmes (RSPs) and other organisations as well as experiences narrated by two community activists. Much of the content came from approaches and evidence observed in the Khyber Pakhtunkhwa (KP), Punjab and Sindh Provinces, but two presentations also included references to other countries. Three organisations were invited to present their programmes but could not participate for various reasons: the Asian Development Bank, invited to present the Benazir Income Support Programme (BISP) Graduation Programme (BGP); the Pakistan Poverty Alleviation Fund (PPAF), invited to present the National Poverty Graduation Programme (NPGP), which is supported by the Government of Pakistan and the International Fund for Agricultural Development (IFAD); and, the Southern Punjab Poverty Alleviation Programme (SPPAP), supported by the Government of Punjab and IFAD. Important elements of SPPAP and NPGP were covered by another speaker.



2. The presentations drew upon the specific experiences of the following projects:

#### From Pakistan:

- Programme for Poverty Reduction (PPR), supported by the Government of Italy and PPAF and implemented in Chitral by the Aga Khan Rural Support Programme (AKRSP);

- SPPAP, supported by the Government of Punjab and IFAD, working in 10 districts of Southern Punjab and implemented by the Government of Punjab and the National Rural Support Programme (NRSP);
- People's Poverty Reduction Programme (PPRP), financed by the Government of Sindh, which covered 4 districts earlier, has been rolled out in another 6 districts and is implemented by the Sindh Rural Support Organisation (SRSO);
- Sindh Union Council and Community Economic Strengthening Support (SUCCESS), supported by the European Union, working in 8 districts and implemented by NRSP, SRSO and Thardeep Rural Development Programme (TRDP);
- NPGP, supported by the Government of Pakistan and IFAD, recently launched through PPAF in 23 districts across the country and implemented by RSPs and other non-governmental organisations (NGOs);
- Women's Economic Empowerment and Market Development Project (WEEMD), supported by the Government of Australia and implemented in KP by Sarhad Rural Support Programme (SRSP);
- Programme for Economic Advancement and Community Empowerment (PEACE), supported by the European Union and implemented by SRSP in 5 districts of KP.

From Other Countries:

- South Asia Poverty Alleviation Programme (SAPAP), implemented in Bangladesh, India, Nepal, Maldives and Pakistan with the support of the United Nations Development Programme;
- Andhra Pradesh (India) Poverty Reduction Projects supported by the World Bank and the Government of Andhra Pradesh; and,
- Randomised control trials of poverty graduation projects in Bangladesh, Ethiopia, Ghana, Honduras, India, Pakistan and Peru, the results of which were reported in *Science*.<sup>1</sup>

The session was moderated by Dr Tariq Husain, Senior Consultant, Rural Support Programmes Network (RSPN). Summary of the proceedings, key points and conclusion are presented below. Additionally, a detailed report about the session is attached in Annex – I.



Ms Shandana Khan, the Chief Executive Officer (CEO) of RSPN, in her opening remarks, welcomed all the participants and explaining the agenda. She stressed that “the retreat is being held at a critical time, with the launch of the government’s *Ehsaas* programme as the session on ‘poverty graduation’ programmes in Pakistan, will help us understand the various poverty graduation programmes undertaken by the different RSPs to learn from their experiences and challenges”. Evidently, the learnings will be useful in designing the *Ehsaas* programme.

<sup>1</sup> Abhijit Banerjee, Esther Duflo, Nathanael Goldberg, Dean Karlan, Robert Osei, William Parienté, Jeremy Shapiro, Bram Thuysbaert and Christopher Udry, “A multifaceted programme causes lasting progress for the very poor: Evidence from six countries,” *Science*, May 2015 (<http://gap.hks.harvard.edu/multifaceted-program-causes-lasting-progress-very-poor-evidence-six-countries>). The first 2 authors have been awarded the 2019 Nobel Prize in Economics. *Science* is published by the American Association for the Advancement of Science, the world's oldest and largest general science organisation.

## The RSPs and Poverty Graduation Programmes in Pakistan

Mr Shoaib Sultan Khan, Chairman Rural Support Programmes Network (RSPN)

Mr Khan talked about the history of RSP-related initiatives as well as their conceptual foundations and achievements. Mr Khan has often emphasised that the state system includes an administrative pillar and a political power and that the RSPs provide the socio-economic pillar, which is often the missing link in approaches to poverty reduction. Over the years, Mr Khan has also distinguished between the conceptual package and the programmatic package of interventions offered by the RSPs, which are tailored to specific projects and their context.

The conceptual package is at the core of the socio-economic pillar and the RSP approach. It emphasises organising the poor and building their skills and capital. It is well established that this function cannot be performed by the administrative or political pillars of the state: government departments and elected institutions do not have the capacity to engage all or an overwhelming majority of people, especially the poor and vulnerable, in planning, implementing and monitoring their own development agenda.

The RSPs' programmatic package includes two kinds of interventions, those that are implemented directly by the RSPs and funded for the duration of a project, and goods and services that are obtained through linkages with government departments, NGOs and commercial entities. Ensuring linkages for pro-poor service delivery through the public sector is the responsibility of the government. Mobilising the poor around the conceptual package, and capacitating them to identify and implement the programmatic package, is the job of autonomous support mechanisms such as the RSPs.

Mr Khan referred to the original articulation of this approach through the 1992 report *Meeting The Challenge*, which was adopted by South Asia's heads of state and government at their Dhaka Summit in 1993. This report was greatly influenced by Mr Khan's work with AKRSP, starting in 1982. It also reflected diverse experiences and considered perspectives from other countries of South Asia. The report (on p. 94) emphasised that "The centrepiece of the strategy and the policy framework would have to be the mobilisation of the poor themselves through their own organisations."





## SRSP's Community Investment Fund (CIF) in Khyber Pakhtunkhwa

Financial interventions such as Community Investment Fund (CIF) carried out by RSPs allow for the poorest women in rural regions to earn a living, increase their monthly savings and eventually move out of chronic poverty.



According to Mr Masood ul Mulk, CEO Sarhad Rural Support Programme (SRSP), the traditional approach to enterprise development focusses on serving the “wishes” of CIF beneficiaries and not their “potential”. A lack of market linkages and sustainability of the programme remained major challenges to their approach. Hence, to address these challenges, SRSP's latest project termed Woman's Economic Empowerment and Market Development Project (WEEMD), introduced value chains.

The project proved to be a success with 975 (80% women) engaged with value chains, allowing for a more holistic approach. The CIF component included 50 village banks, available to 10,046 women, with seed capital of PKR 45 million which has revolved over time and now reaches to a total disbursement of PKR 297 million. This has allowed for 2,167 people to move to a poverty score of 24 or above.

Expanding on the CIF programme, Mr Waiq Khan, team leader CIF at SRSP, explained the outcomes of their latest CIF programmes. Around 6,000 women (from a sample of 11,000) reported an average income increase of PKR 6,122 per month, of which 35% of people invested in better education and health services of their children. From the poverty score of 0-23, 2,653 women were able to graduate out of poverty as a result of the financial assistance provided through the CIF. The reason for CIF programme's success was summarised to include an effective monitoring system; ability to increase community capacity building; increased financial viability; and the empowerment of rural women.

Ms Shandana Khan, however, noted that the CIF provided by SRSP did not entirely target the poorest households as in other EU programmes and is more focussed on CIF for enterprise and value chain – because all poor households may not be entrepreneurs especially value chain entrepreneurs. Mr Masood ul Mulk responded that all the communities poor and non-poor were involved in the value chain enterprises. “Previous enterprise development programmes were very isolated, however, our recent CIF programme is embedded into village banks managed by SRSP and Village Organisations [VO] and with value chains rather than single isolated enterprises.” Further commenting on the success of SRSP's CIF programme, Mr Shoaib Sultan Khan mentioned how impressed he was witnessing the programme on ground. “CIF was 100% returned in this programme as the village banks set up for CIF were custodians of it. That has led to its sustainability. In Sindh (the SUCCESS programme) must take lessons from the programme and take CIF operation in a similar manner”.





The statistics and data provided were supported by real case studies of beneficiaries, with Ms Nageen Bibi, from Charsadda claiming “I applied for the CIF and trained in making bed-sheets. I am now able to earn PKR 40,000 per month through local orders and training other women in the locality as well. Now men come to me for financial help, rather than the other way round.”

The CIF impact was not limited to individuals as Ms Naseem Bibi from Nowshera explained “I took the CIF to sell handicrafts. I then taught other women in the village to join me as group, now each of the 15 woman working with me earns between PKR 15,000 to PKR 20,000 a month for themselves”.



Mr Atif Zeeshan, Programme Manager M&E SRSP presented findings from assessment of SRSP projects that SRSP carried out to see the graduation in poverty scores.

**EU funded PEACE programme:** This programme’s interventions included PKR 13,200 per beneficiary as a grant, mobilisation and visits, enterprise development training and basic numeracy and literacy. This led to changes in the poverty status of the beneficiaries:

- The percentage of beneficiaries in the PSC 0-11 category declined from 25 percent to 4 percent and of those in PSC 12-18 from 51 percent to 21 percent
- Overall, the percentage in the PSC 0-23 category decreased from 100 to 60 percent, with 40 percent moving up into PSC 24-100
- Income increased from PKR 6,831 to 14,323 per month, per beneficiary
- 98 percent of the businesses were new
- 34 percent of the women were involved in financial management
- 24 percent women’s mobility enhanced
- 84 percent exercised control over income
- 67 percent of the businesses were successful

**PPAF-SRSP asset transfer programme:** This programme’s interventions included PKR 50,000 per beneficiary as a grant, mobilisation and need-based visits, and enterprise development training. This led to changes in the poverty status of the beneficiaries:

- The percentage of beneficiaries in the PSC 0-11 category declined from 53 percent to 23 percent and of those in PSC 12-18 increased from 47 percent to 57 percent.
- Overall, the percentage in the PSC 0-23 category decreased from 100 to 99 percent, with 1 percent moving up into PSC 24-100.

## International Fund for Agricultural Development (IFAD) Approach



Former Country Representative of International Fund for Agricultural Development (IFAD), Mr Qaim Shah provided insights into IFAD's experience of poverty graduation projects in Pakistan, the most recent being National Poverty Graduation Programme (NPGP) which started in 2018, covering 23 districts and benefitting 156,240 beneficiary households. He also presented lessons drawn from the IFAD funded South Punjab Poverty Alleviation programme started in 2010 in addition to sharing literature on poverty graduation programmes from other countries.

Speaking on the major lessons learnt from their previous programmes, he said, "Targeting is key in poverty graduation approaches and models which are replicable and can be scaled up. It has to be a continuous process which is not just a one-time intervention, it requires a long-term strategy with emphasis on an outcome-driven and sustainable approach, rather than the project target and input-driven approach. Thus, the project should reassess each beneficiary household afresh to see what kind of assistance and support (both project and non-project sources) is required, and what kind of linkages or partnerships could support these households to keep them moving along the poverty graduation trajectory and even beyond PSC 34. Poverty graduation programmes should also feature a flexible design to suit each individual household." He also explained the importance of livestock in increasing an asset's worth and the family's savings over time. This information proved beneficial for RSPs that focus on livestock as part of the CIF and IGG programmes for beneficiaries.

He further explained partnerships with development partners and synergy with government initiatives such as interest-free loans under *Ehsaas* programme and data sharing with Benazir Income Support Programme (BISP) as essential to succeed in poverty graduation.

## Poverty Reduction Strategy in Sindh

A province that has successfully committed to poverty graduation programmes has been Sindh. The Government of Sindh (GoS) has approved a Poverty Reduction Strategy (PRS) that builds upon the gains made from economic and infrastructural investments made in rural communities across Sindh through European Union's support. With a budget of PKR 72 billion, the strategy targets employment opportunities, enterprise development and community infrastructural development to address rural poverty across all districts of Sindh.



Representatives from the implementing partners of EU funded Sindh Union Council and Community Economic Strengthening Support (SUCCESS) programme, Ms Hina Shahid and Ms Durreshawar Mahmood detailed the three key strategies towards poverty graduation undertaken by Ernst & Young (EY). These include the Community Driven Local Development (CDLD) policy as the foundation, addressing urban poverty by developing urban economic clusters, and addressing rural poverty through rural growth centres.

## SUCCESS programme in Sindh

To further expand on the commitment of the EU in poverty reduction in Sindh, Mr Fazal Ali Saadi, Programme Manager SUCCESS, provided the main outcomes and impact of the programme thus far. The impact on income and assets (income-generating assets, consumer durables and human capital) were visible within months of the programme. Many LSOs/VOs had established linkages with government and NGO service providers, not institutionalised by government but by their own initiatives. As a women empowerment programme, there has been active encouragement from RSPs, leading to immense increase in women's confidence, greater say in household decision making and increased mobility for some (especially community leaders).

He emphasised the importance of understanding the target group – the poor – in order to devise relevant interventions, as all too often experts make recommendations without considering the resources and priorities of the poor. For example, much has been made of small initiatives, including some sponsored by the corporate sector, that focus on better-off households with greater education and assets who are very different from the SUCCESS target group. For example, in the SUCCESS programme area, 92 percent of the poor are landless, with a few owning less than a subsistence holding, 87 percent of adults (96 percent of women) had not attended school and 48 percent did not have a toilet in the house and only 11 percent had a flush toilet.

For the success of any poverty graduation programme understanding the capabilities of the poor and their priorities and respecting the choices they make for their improvement through the Micro Investment Planning process is critical. Data from SUCCESS show the kind of diverse



choices made by poor rural women and men and the variations observed across the 8 programme districts:

- 69,036 CIF borrowers found 64 different uses for the loans. Reflecting differences across districts:
  - livestock loans: Dadu 66 percent and Tando Allahyar 99 percent of the borrowers
  - enterprise loans: Tando Allahyar 1 percent, Dadu 22 percent
  - agriculture loans: Matiari, Tando Allahyar, Sujawal and Tando Muhammad Khan almost 0 percent, Kambar Shahdadkot 22 percent
- Investment by 22,883 IGG recipients:
  - in livestock: Jamshoro 78 percent, Tando Allahyar almost 100 percent of recipients
  - in enterprise: almost zero in Tando Allahyar and Matiari, 20% in Jamshoro
  - in agriculture: almost zero in 4 districts, 9 percent in Kambar Shahdadkot
- TVST preferences of 14,050 individuals (88 percent of them women) included 37 types of technical and vocational skills in 8 main categories:
  - Garments: Matiari 53 percent, Larkana 88 percent
  - Beauty: almost 0 percent in Larkana, Kambar Shahdadkot, Dadu 18 percent
  - Automobile: Kambar Shahdadkot zero, Matiari 29 percent
  - Electronics: zero in 6 districts, 8 percent in 2 districts
  - Crop-livestock development: zero in Dadu, Larkana, and 15 percent in Kambar Shahdadkot
  - Food processing: zero in 6 districts, 3 percent in Sujawal
  - Construction: zero in 7 districts, 3 percent in Tando Mohammad Khan

This and other information available so far suggests that the poor make profitable choices through MIP for CIF, IGGs and trainings that are consistent with their resources and local markets. A process or research method that can improve upon the choices made by tens of thousands of poor rural women has not been identified so far.

However, the SUCCESS programme has not functioned without its challenges. This has included struggling to open bank accounts for COs savings; lack of budget to cover all families falling in the Poverty Score Card of 1-23 category; lack of effectiveness of Joint Development Committees; and lack of understanding among some observers and policy makers on the impact on multi-dimensional poverty which cannot be achieved by a single programme like SUCCESS.



## Peoples Poverty Reduction Programme (PPRP) in Sindh

The Government of Sindh has implemented poverty graduation programmes in the other remaining districts of Sindh. Mr Ghulam Rasool Samejo, Team Leader Peoples Poverty Reduction Programme (PPRP), explained the outcomes of PPRP with regards towards poverty graduation. The expected outcome at the end of the programme in 2021, is to have 25% of target poor reduced or graduated during that time period. Additionally, 9,623 houses are to be constructed and 367 business groups will be developed. Mr Ghulam Rasool Samejo further explained “The focus has shifted more towards enterprise”.



The team also carried out a CIF tracer study in the programme, to view the CIF beneficiaries who have completed a year. Mr Ghulam Rasool Samejo presented the results and said “It showed that 15% of beneficiaries graduated to non-poor category according to poverty score card score bands. Overall, 34% of households moved from lower poverty score bands to higher poverty score bands.”

## Program for Poverty Reduction (PPR) in Chitral

A recently completed programme that could function as a learning experience for the other RSPs, was the Program for Poverty Reduction (PPR) implemented in Chitral. The programme was supported by Pakistan Poverty Alleviation Fund (PPAF) and the Italian Government providing PKR 155.88 million. The project was sustained for four years completing in June 2019.

Mr Muzaffar Uddin, General Manager, Aga Khan Rural Support Programme (AKRSP), presented a sample of 51 households out of 132 supported households to demonstrate the impact of the programme. He claimed that “There had been a significant impact on poverty reduction, with poverty reducing from the chronically poor category at 45% to 5%. Roughly, 10% graduated to the well-off category”. It is unsurprising then that overall 53% supported households reported increase in income.



## Conclusion

Speakers during this session reiterated that poverty graduation programmes are replicable and scalable, but should not be taken as a one-off intervention rather a long term process with flexible design to cater to the needs of each poor household. Social mobilisation needs to be centre-piece of poverty graduation programmes. The government *Ehsaas* programme can leverage its programme taking the stock of lessons from these existing programme in designing the programme and can benefit from the RSPs exiting social mobilisation outreach and experience in implementing its graduation programme. Previous approaches provide evidence that supporting the rural poor through responses like asset transfers and vocational training and linking them to markets and value chains [after graduation] can move people up the poverty ladder sustainably.

## Session – II: Rural Enterprise Development

One of the key challenge the poor face is establishing and scaling enterprises in rural areas. RSPs over the last 35 years have been promoting rural enterprises, however, the success has remained sporadic. The key challenges observed and experienced include but not limited to the following:

- Most of the poor operate businesses but these businesses are too small and need to be linked to the larger markets
- Small businesses lead to small profits, which is not enough to reinvest and increase the business nor enough to encourage the poor to invest the commitment and passion to scale up.
- Access to finance for scaling up these business is not available for these entrepreneurs if they want to grow. Micro loans are too small to take it to the next level, loans from commercial banks are too large for their needs.
- Having small capital and issue of mobility especially for women, leads to small enterprises near their houses within the village, resulting in market saturations



However, with increasing use of technology and innovations by youth with start-ups and value chain initiatives in the recent past by some of the RSPs, other private sector and public sector initiatives, new ideas continuously emerge. The purpose of this session was to learn from these initiatives. This was addressed by newer concepts such as business incubations by institutions like *Ignite Pakistan*, *National Technology Fund*, and examples from the field where beneficiaries have formed agricultural value chains to benefit local farmers.



## Potential of Rural Enterprise Development



For Mr Yusuf Hussain, CEO *Ignite Pakistan* start-ups were the solution and way forward to tackle scale. Start-ups are essentially new businesses that possess innovative models. This innovation according Mr Yusuf Hussain means the “transformation of new idea that impacts society”. *Ignite* focuses on the fourth industrial wave tech and on ecosystem development initiatives to fulfil its mission of creating a knowledge economy in Pakistan.

He provided examples of start-ups that impacted education, jobs creation, clean drinking water, agriculture, healthcare, among others. These examples could be useful for RSPs to get inspired or utilise these start-ups in the field. According to Mr Yusuf Hussain, “RSPs are carrying out important work, however, it is incremental as determined by Mr Shoaib Sultan Khan. In order to bring projects to scale, abstraction is required. For example Telenor’s *easypaisa*, has achieved the secret of scaling by using a common interface, the mobile phone.”

Mr Muzaffar Uddin, General Manager, Aga Khan Rural Support Programme (AKRSP) specifically asked about the impact of start-ups in a region that does not have basic IT infrastructure like Gilgit-Baltistan. Mr Hussain explained that *Ignite* is currently only working the four provinces and did not function in the Gilgit-Baltistan. It was upon the Gilgit-Baltistan government to bring about a parliamentary change in their government to include organisations like *Ignite* that can counteract the lack of infrastructure in the region.



Speaking specifically to RSP’s mandate he expressed “innovation can solve rural problems. We recently asked farmers to tell us their problems which we then made start-ups find solutions to those issues. Hence our aim is to think new”. Zahid Khurshid from SRSP wanted the relationship between the RSPs and *Ignite* to go further where RSPs could benefit from their ideas and linkages to the market. Mr Hussain agreed and claimed the RSPs are “the people on the ground”, hence any linkages would be beneficial to both.

Mr Amer Durrani, CEO *Reenergija Enhar*, however, explained the exceptional challenges faced in the rural regions of Pakistan with sparseness of population and scale needed for enterprise projects to succeed. Previously, they tried to have rural incubators with Pakistan Poverty

Alleviation Fund (PPAF) but were unsuccessful. Mr Abdur Rehman Cheema agreed and claimed that technology used for these start-ups had an urban bias, whereas, the RSPs target were the poorest and most vulnerable people in rural regions. Mr Hussain determined that incubators were not a new concept in Pakistan, but *Ignite* has proved to be different. He explained, “We have learned what works in Pakistan, for example that our incubators should be led by industry leaders etc.” He felt that they could sit with the RSPs to discuss agri-tech, as clustering had value. “Even in the West, most people were poor but the agricultural revolution changed that. It changed people’s lifestyle, some jobs were lost but new jobs were created. In the end people were made richer through technology”. For him start-ups were a new way of thinking that could benefit RSPs.

Mr Shoab Sultan Khan wanted to understand options on the exact use of technology in the work of RSPs utilising the critical mass of 9 million organised households, or essentially setting up an *Ignite* in the RSPs. Mr Hussain determined that *Ignite* had a different working culture which could not be set up in the RSPs. However, collaborations could be established, that was also being carried out by Benazir Income Support Programme (BISP).



## RSPs experience with value chains: BFCS

Although, not associated with start-ups, RSPs have had certain experiences with rural enterprise and value chains. One of their most successful examples of community agricultural value chains has taken place through the Baltistan Farmers’ Cooperative Society (BFCS) led by community members Mr Muhammad Hussain and Mumtaz, under AKRSP. By sharing their experiences, they were able to provide a roadmap to other RSPs.



BFCS emerged as a result of the *Satpara* Development Project by AKRSP in 2017 to benefit local farmers. Mr Muhammad Hussain explained “The cooperative’s main motive is to unite farmers under one umbrella for collective effort and to provide enabling environment to commercialised agriculture sectors by mobilising resources to get maximum benefits”.

With 150 shareholders, they have managed to establish a dry fruit retail outlet; establish a model agricultural farm; establish an input store to provide quality seeds and fertilisers to farmers; provide trainings and seminars in agricultural extension and livestock management; and establish links with government line departments.

## Conclusion

RSPs poverty reduction and socio-economic uplift initiatives remain, for the most part, household intensive for the livelihood component and linkages with public sector for social services. The link to market and opportunities provided by the market are less tapped. The establishment of micro-macro linkages with markets, enterprise value chains such as BFCS needs to be replicated wherever possible. Until now, RSPs have been unable to benefit from the digital revolution that the world has offered. Future collaborations with organisations such as *Ignite* might be the way forward for RSPs to bring about scale and increase their impact further.

## Session – III: Community Based Paralegals

RSPs are not limited to poverty graduation or skills development for rural enterprise. They have also had programmes that focus on legal challenges faced by the women that work in rural areas of Pakistan. The second day demonstrated experiences shared by community activists that functioned as paralegals under a project concluded recently, implemented by the RSPs and funded by the Open Society Institute. A panel discussion on legal empowerment of rural communities ensued with experts in the field for RSPs to develop the way forward after the end of this project.





## RSPs' experience with legal empowerment

The first legal empowerment project was carried out by SRSP in KP in 2011 which continues to function. NRSP carried out programmes funded by Open Society Institute in South Punjab and Sindh, training 160 community based paralegals (84 women and 76 men) facilitating roughly 9,000 cases.

Ms Sadaf Dar (Programme Officer Gender & Development, RSPN) determined that the legal empowerment programme ending in May 2019, had its challenges but had massive impact on rural communities and women in particular. The programme created rights based activists at the community level; promoted RSPs' outreach; fostered accountability and combated impunity; improved the functioning of justice institutions; and injected rights into the development discourse.



Further elaborating on the NRSP's legal empowerment programme, Ms Salma Khalid, (Programme Manager Gender and Development, NRSP), said that 79,471 and 101,529 were given legal awareness sessions by community based paralegals in South Punjab and Sindh respectively. One of the biggest validation that the programme received was from the American Pakistan Foundation (APF) that determined that "the relation between social mobilisation and gender mainstreaming was crucial for work related to legal empowerment".

As a way forward, Ms Salma Khalid, claimed that "ownership of Senior Management existed in NRSP and lobbying was being carried out". When asked, Dr. Rashid Bajwa (CEO-NRSP) said "the operating cost of paralegals is too high and is mainly donor based which makes it hard to maintain. However, we can link paralegals to our Water, Immunisation, Sanitation and Education (WISE) programme, making it easier to sustain. We need to start with the communities and then take it further, instead of the other way round." Therefore, the future of paralegals at least in NRSP was to mainstream it within other programmes.

Ms Munawar Humayun Khan, Chairperson SRSP, equally admitted that RSPs "needed funds [for paralegals] but it should be part of the gender programme." Jamali from the Technical Assistance Team of EU funded BRACE programme in Balochistan was supportive of such a programme, however, he had his reservations. "We need to take a step further and learn how to institutionalise paralegals." Nadia from SRSP suggested that they needed to differentiate between providing legal information through their trainings (such as LMST and CMST) and providing actual legal work. Mr Shoaib Sultan Khan claimed that the way to take the initiative further was to train Community Resource Persons (CRPs) as paralegals, since they are already working in the field.

## Community experience with legal empowerment

The statistics of the programme were supplemented with actual experiences from the field that worked first-hand on these legal issues.



Ms Jamila Bibi, paralegal from South Punjab, related a case where a landlord had held an underage girl captive for marriage. She approached him and told him about their programme and the girl's rights. She explains "He realised that I knew the girl's legal rights and knew what he was doing was against the law. Within 3 hours he let the girl go and sent her back to her family."

A paralegal from Sindh, Ms Razia Laghari also provided details of cases that she had worked on proving that legal issues related to women were cross-cutting amongst the provinces. She explained a case where a woman (who was also trained as a paralegal under the programme) was forced out of the house by her husband because he wanted to sell her cow. Ms Laghari intervened to resolve the domestic dispute. She explains "I informed him about family law regarding the case and threatened him with legal action. At first he was dismissive, but later came to my house, apologised for his behaviour and took back his wife home, effectively, resolving the matter."

Along with experiences from paralegals, a legal advisor to SRSP, Ms Rahila Kanwal shared her experience as the first female lawyer in Chitral. Undertaking 917 cases in the region, she considers her greatest success against those that targeted her because of cultural restraints. "When I first started practicing law in the district, there were many that were against me. Now these same people refer cases to me".



## AGHS Legal Aid Cell

To further learn lessons from other paralegal programmes a panel discussion with representatives of AGHS Legal Aid Cell and National Commission on the Status of Women (NCSW) took place.

AGHS Legal Aid Cell was co-founded by Asma Jahangir in 1980 to provide free legal aid for vulnerable women, children and religious minorities. It is now the leading law firm in

constitutional and family law related legal work. Ms Hina Shahid (Project Coordinator Paralegals, AGHS) claimed that they had 15 paralegal community centres in Lahore and Kasur. She explains their training approach as “innovative and not only based on lectures. These paralegals were exposed to courts, shelter homes and lady police stations for better understanding of the issues.”



Despite their success, Ms Hina Shahid claimed “We wanted to function in other districts as well, however, were unable to do so. RSPs have gone to places that we could not reach.” Therefore, it would seem that a major incentive for RSPs to continue the legal empowerment programme is its outreach that can lead to greater impact.

## National Commission on the Status of Women

Representatives from the government, shared their experiences with legal empowerment programmes with the RSPs. The National Commission on the Status of Women (NCSW) is a statutory body to combat discrimination against women, established in July 2000. One of the ways it achieves this, is by reviewing laws and regulations affecting the status of rights of women and suggest repeal, or new legislation essential to achieve gender equality before the law.

Mr Sohail Akbar Warraich (Co-Chair Law and Policy Committee, NCSW) explained the legal awareness programme, termed “legal consciousness” undertaken by the department. The aim of the programme was “creating awareness amongst the people; removing the mystery of the law; explaining the choices that the law can provide; and increasing peoples’ capacity in order to separate culture, law and religion.”



Inspired by the name, Ms Munawar Humayun Khan, Chairperson SRSP, claimed that future RSP legal programmes should be called “legal consciousness”. However, Shandana Khan, CEO RSPN, considered it be misleading as it did not convey empowerment.

Explaining a major challenge to legal empowerment programmes, Mr Sohail Akbar Warriach stressed upon the importance of building a network. “Without support systems linked with institutions to help women in trouble, cases should not be taken”. Clearly, more harm can be done by providing legal advice without linkages to support systems for these women.



Ms Shandana Khan agreed with Mr Warraich that paralegals' work should not be confined as project-based, but should take on a more activists approach. This provides stability to the legal empowerment and should be considered by RSPs.

## Conclusion

There was a general consensus by the RSPs that community paralegals was an excellent initiative that had massive impact in the lives of rural women. Shoaib Sultan Khan elaborated "Paralegals must be continued, however, the major issue has been expense. There must be a pool of people trained to carry out these awareness sessions. This can be done through CRPs." He also iterated "the lead must be taken by RSPN and then we can see later how it goes."

## Academic Collaborations



The RSPs also look for opportunities to collaborate with academic institutions to learn from the latest academic thinking and to increase their outreach to find supporters of social mobilisation. Dr Abid Ghafoor Choudhry (Chairman, Department of Anthropology, Arid Agriculture University) presented the ways in which RSPs could collaborate with them. "We want to bridge the gap between academia and the development sector."

He also suggested making Shoaib Sultan Khan as Chair at the University, however, Shoaib Sultan Khan wanted Akhtar Hameed Khan to be named as chair.

## The Way Forward

The retreat proved to be a success for RSPs to share development opportunities and challenges in the next coming years with regards to poverty graduation and women empowerment. In the presence of donors, government officials, media and other stakeholders, RSPs were able to present their achievements and a strategy for the way forward.

RSPs have implemented poverty graduation programmes across the country, however, they need to be sustained and require constant monitoring to yield significant results. RSPs need to consider establishing micro-macro linkages through digitalisation that can bring about scale and increase their impact further. RSPs have had success with legal empowerment programmes, which should be extended further by providing support to trained paralegals in the field. Utilising these lessons for future programmes and collaborations can establish a clear strategy for RSPs to follow.

# **Annex – I: Detailed Report on Session 1**

## **RURAL SUPPORT PROGRAMMES**

**Annual Strategy Retreat 2019**

**Bhurban, 23-25 September 2019**

**Report on Session 1:**

**Poverty Graduation Experiences and Learning**

**By Tariq Husain  
Senior Consultant**

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## Abbreviations and Acronyms

BGP	Benazir Income Support Programme (BISP) Graduation Programme
BRAC	Building Resources Across Communities (earlier Bangladesh Rural Advancement Committee)
CDLD	community-driven local development
CGAP	Consultative Group to Assist the Poor
CIF	community investment fund
CO	community organisation
CPI	community physical infrastructure
EU	European Union
EUR	euros
GoS	Government of Sindh
IFAD	International Fund for Agricultural Development
IGG	income generating grant
KP	Khyber Pakhtunkhwa
LSO	local support organisation
MHI	micro health insurance
MPI	multidimensional poverty index
NPGI	National Poverty Graduation Initiative
NPGP	National Poverty Graduation Programme
NRSP	National Rural Support Programme
NSER	National Socio-economic Registry
PEACE	Programme for Economic Advancement and Community Empowerment
PKR	Pakistani rupees
PPAF	Pakistan Poverty Alleviation Fund
PPR	Programme for Poverty Reduction
PPRP	People's Poverty Reduction Programme
PRS	Poverty Reduction Strategy
PSC	poverty score card
SAPAP	South Asia Poverty Alleviation Programme
SPPAP	Southern Punjab Poverty Alleviation Programme
SRSO	Sindh Rural Support Organisation
SSN-TUP	Social Safety Net - Targeting Ultra Poor
SUCCESS	Sindh Union Council and Community Economic Strengthening Support
RSP	Rural Support Programme
TA	Technical Assistance
TRDP	Thardeep Rural Development Programme
TVST	technical and vocational skills training
USD	United States dollars
VO	village organisation
WEEMD	Women's Economic Empowerment and Market Development Project

## 1. INTRODUCTION

### 1.1. Organisations and Projects Included in the Session

3. This session consisted of 8 main presentations by representatives of Rural Support Programmes (RSPs) and other organisations as well as experiences narrated by 2 community activists. Much of the content came from approaches and evidence observed in the Khyber Pakhtunkhwa (KP), Punjab and Sindh Provinces, but 2 presentations also included references to other countries. Three organisations were invited to present their programmes but could not participate for various reasons: the Asian Development Bank, invited to present the Benazir Income Support Programme (BISP) Graduation Programme (BGP); the Pakistan Poverty Alleviation Fund (PPAF), invited to present the National Poverty Graduation Programme (NPGP), which is supported by the Government of Pakistan and the International Fund for Agricultural Development (IFAD); and, the Southern Punjab Poverty Alleviation Programme (SPPAP), supported by the Government of Punjab and IFAD. Important elements of SPPAP and NPGP were covered by another speaker.

4. The presentations drew upon the specific experiences of the following projects:

#### ***From Pakistan:***

- Programme for Poverty Reduction (PPR), supported by the Government of Italy and PPAF and implemented in Chitral by the Aga Khan Rural Support Programme (AKRSP);
- SPPAP, supported by the Government of Punjab and IFAD, working in 10 districts of Southern Punjab and implemented by the Government of Punjab and the National Rural Support Programme (NRSP);
- People's Poverty Reduction Programme (PPRP), financed by the Government of Sindh (GoS), which covered 4 districts earlier, has been rolled out in another 6 districts and is implemented by the Sindh Rural Support Organisation (SRSO);
- Sindh Union Council and Community Economic Strengthening Support (SUCCESS), supported by the European Union (EU), working in 8 districts and implemented by NRSP, SRSO and Thardeep Rural Development Programme (TRDP);
- NPGP, supported by the Government of Pakistan and IFAD, recently launched through PPAF in 23 districts across the country and implemented by RSPs and other non-governmental organisations (NGOs);
- Women's Economic Empowerment and Market Development Project (WEEMD), supported by the Government of Australia and implemented in KP by Sarhad Rural Support Programme (SRSP); and,
- Programme for Economic Advancement and Community Empowerment (PEACE), supported by the EU and implemented by SRSP in 5 districts of KP;

#### ***From Other Countries:***

- South Asia Poverty Alleviation Programme (SAPAP), implemented in Bangladesh, India, Nepal, Maldives and Pakistan with the support of the United Nations Development Programme;
- Andhra Pradesh (India) Poverty Reduction Projects supported by the World Bank and the Government of Andhra Pradesh; and,
- randomised control trials of poverty graduation projects in Bangladesh, Ethiopia, Ghana, Honduras, India, Pakistan and Peru, the results of which were reported in *Science*.<sup>2</sup>

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<sup>2</sup> Abhijit Banerjee, Esther Duflo, Nathanael Goldberg, Dean Karlan, Robert Osei, William Parienté, Jeremy Shapiro, Bram Thuysbaert and Christopher Udry, "A multifaceted programme causes lasting progress for the very poor: Evidence from six



## 1.2. Contributors and Their Presentations

5. The session was moderated by Dr Tariq Husain, Senior Consultant, Rural Support Programmes Network (RSPN), and included the following presentations:

### ***National and international perspectives:***

- “Social Mobilisation in South Asia: The Journey of Rural Support Programmes,” by Mr Shoab Sultan Khan, Chairman, RSPN.
- “Graduation Approach to Poverty – IFAD Experience and Approach” (which included NPGP and SPPAP), by Mr Qaim Shah, former Senior Country Programme Officer for Pakistan and Afghanistan, IFAD.

### ***Presentations focusing exclusively on impact:***

- “Results on Poverty Graduation from Three Programmes,” by Mr Atif Zeeshan, Programme Manager, Monitoring and Evaluation, SRSP.
- “Impact of AKRSP’s Poverty Reduction Programme in Chitral,” by Mr Muzaffar Uddin, General Manager, AKRSP.

### ***Poverty reduction strategy and programmes in Sindh:***

- “Government of Sindh’s Poverty Reduction Strategy (PRS),” by Ms Hina Shahid, Research Expert, and Ms Durre Mahmood, Policy Expert, SUCCESS Technical Assistance (TA) Team to Government of Sindh.
- “SUCCESS Programme’s Approach to Poverty Graduation,” by Mr Fazal Ali Saadi, Programme Manager, SUCCESS, RSPN.
- “Government of Sindh’s PPRP,” by Mr Ghulam Rasool Samejo, Team Leader, PPRP, SRSO.

### ***The SRSP experience in KP:***

- “SRSP’s Community Investment Funds leading to Poverty Graduation in Khyber Pakhtunkhwa,” by the SRSP Team consisting of Mr Masood ul Mulk, Chief Executive Officer, Mr Waiq Khan, Team Leader, Community Investment Fund (CIF), Ms Nageen, Community Activist from District Charsadda, and Ms Naseem Bibi, Community Activist from District Nowshera.

6. All the Pakistan projects discussed during this session use the poverty score card (PSC) for identifying poor households. They then engage communities, including poor and non-poor households, through social mobilisation and help the poor households through targeted pro-poor interventions. Measures of poverty other than the PSC are used for other purposes by other development actors in the country. There is often lack of clarity in project design and evaluation about the purpose of various indicators and how they should be used. In Section 2, the Senior Consultant has provided an overview of measures of poverty to shed light on this matter.

## 2. CONCEPTS AND MEASURES OF POVERTY

### 2.1. Official Measures of Poverty

7. The role of social mobilisation in poverty reduction needs an understanding of concepts of poverty and how economic growth, government programmes and social mobilisation relate to them. While poverty reduction is a national goal, it is interpreted in different ways for different purposes. Official estimates of the incidence of poverty are based on the Cost of Basic Needs approach. This

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countries,” *Science*, May 2015 (<http://gap.hks.harvard.edu/multifaceted-program-causes-lasting-progress-very-poor-evidence-six-countries>). The first 2 authors have been awarded the 2019 Nobel Prize in Economics. *Science* is published by the American Association for the Advancement of Science, the world’s oldest and largest general science organisation.

approach focuses on the consumption patterns of households and estimates the amount of money needed to meet basic household needs. It takes into account household spending on food as well as non-food expenditures (on things such as clothing, shelter and education) that are necessary for households.<sup>3</sup>

8. Poverty reduction in relation to the official poverty line depends largely on pro-poor economic growth. Thus, government planners favour labour-intensive growth for employment generation.<sup>4</sup> The problem is that economic growth in Pakistan has been slow for several years; moreover, growth has not translated strongly into job creation. To reduce unemployment and poverty that is not addressed through growth, the government puts in place a variety of programmes, including public works and credit-based employment, supported by an employment policy and vocational training. In addition, social protection programmes aim to help those who are destitute or unable to benefit from economic growth or special job-creation initiatives.

9. In addition to the monetary poverty line, there is also an official Multidimensional Poverty Index (MPI). This is a non-income based index of deprivation that complements consumption-based poverty estimates. The MPI focuses on deprivation in three dimensions, health, education and standard of living, each of them with an equal weight. These dimensions are assessed through a total of 15 indicators. The MPI is expected to provide a basis for public policy and resource allocation at the national, provincial and district levels.<sup>5</sup> The official position is that:

While national poverty line and headcount continue to be estimated using outcome based consumption data, the MPI will be used as a deprivation index up to district level. This will be used for designing development policy interventions [and] tracking SDGs' objective of inclusive growth.<sup>6</sup>

## 2.2. Poverty Score Card

10. At the household level, the government uses the PSC for identifying poor households. This is a tested and cost-effective tool. It is used by BISP (the Federal Government's social protection programme), PPAF (the apex entity for supporting poverty alleviation), IFAD (which focuses on reducing rural poverty) and the RSPs. Nine of the 12 indicators in the PSC that are used for scoring revolve around household ownership of assets.<sup>7</sup> The thirteenth indicator is about the number of household members; it is not used for scoring but for calculating the number of people per room in the housing unit.

11. The PSC allows what is called a proxy means test for poverty. In the words of the PSC's originator, "the tool uses 10 [now 13] low-cost indicators from Pakistan's ... Social and Living Standards Measurement Survey to estimate the likelihood that a household has consumption below a given poverty line."<sup>8</sup> "Poverty scores can be computed on paper in the field in about 5 to 10 minutes. The

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<sup>3</sup> Government of Pakistan, Finance Division, Economic Adviser's Wing, *Pakistan Economic Survey 2015-16*, p. 283 (<http://www.irispunjab.gov.pk/Economic%20Surveys-New/Economic%20Survey%202015-16.pdf>).

<sup>4</sup> Although other sectors may be added from time to time, planners tend to give priority to agriculture, small and medium enterprises, housing and construction for pro-poor growth. They also recognise that in Pakistan, for several years, the absorptive capacity of the formal sector has been low, and a large majority of the employed workforce has been engaged in informal sector activities dominated by low productivity and marginalized jobs.

<sup>5</sup> Foreword to the Multidimensional Poverty report by the Minister for Planning, Development and Reform.

<sup>6</sup> *Pakistan Economic Survey 2015-16*, p. 284. Official poverty data have not been available since the official poverty headcount stood at 24.3 percent (fiscal year 2015-16) and the MPI poverty headcount at 38.8 percent (fiscal year 2014-15).

<sup>7</sup> These assets are: number of rooms in the house, flush toilet, refrigerator, freezer, washing machine, air conditioner, air cooler, geyser, heater, cooking stove, cooking range, microwave oven, car, tractor, motorcycle, scooter, television, cow, buffalo, goat, sheep and agricultural land.

<sup>8</sup> Mark Schreiner, "Simple Poverty Scorecard® Poverty-Assessment Tool Pakistan", 18 September 2009 ([http://www.simplepovertyscorecard.com/PAK\\_2005\\_ENG.pdf](http://www.simplepovertyscorecard.com/PAK_2005_ENG.pdf)).

poverty scorecard is a practical way for pro-poor programmes in Pakistan to monitor poverty rates, track changes in poverty rates over time, and target services.”<sup>9</sup>

12. The PSC is used for classifying poor and non-poor households in the following categories:

**Table 1: Classification of households based on the poverty score card**

PSC Score	Category
PSC 0-11	Extremely poor or ultra-poor
PSC 12-18	Chronically poor
PSC 19-23	Transitory poor
PSC 24-34	Transitory vulnerable
PSC 35-40	Transitory non-poor
PSC 41-100	Non-poor

### 2.3. Poverty Targeting

13. Targeted poverty reduction (also highlighted in the government’s recently-launched Ehsaas programme) started after the national PSC survey in 2009. The data helped establish what is called the National Socio-economic Registry (NSER). Surveys for updating the NSER are being carried out in 2019. Above the household level, targeting takes place in different ways:

- District selection is sometimes, though not always, based on some notion of poverty or deprivation. For example, the NPGP used a multi-dimensional poverty index (not the MPI) for this purpose.
- In projects supported by the Government of Sindh and the EU, generally all tehsils/talukas within districts are included. In other projects, the basis of selection of tehsils/talukas is not always clear, though it tends to respect government decisions in this regard.
- In the GoS- and EU-assisted projects, but not in others, all union councils in a tehsil/taluka are included. A certain percentage of households (e.g., 70 percent) has to be organised. Specifically, all households in the project’s target group have to be organised.

### 2.4. Inclusion of Households in Project Interventions

14. There is no fixed approach for deciding which category of the poor and vulnerable will be included in a project, what proportion of target group households will be included in specific project interventions, and what would be the unit cost of a given intervention. These aspects are determined during project design and vary by donor and project. Across the projects discussed in this session, including various RSP-implemented projects, the general trend is that:

- The PSC score is used for selecting beneficiary households for household-based interventions. Community-level interventions (generally small infrastructure) are identified by community institutions. The benefits of infrastructure are not limited to either the poor or the members of community institutions.
- The proportion of a specific group (PSC 0-11, 0-18 or 0-23) that receives a specific intervention depends on the resources available to the project. It is related to the unit cost of an intervention, which also varies from one project to another.
- The Prime Minister’s Interest Free Loan scheme (started in 2013) is open to households in the PSC 0-40 category.

<sup>9</sup> Mark Schreiner, “A Simple Poverty Scorecard for Pakistan”, first Published June 18, 2010 (<https://journals.sagepub.com/doi/10.1177/0021909609353579>).



- In the RSP projects in Sindh, community organisations are all-women organisations. Elsewhere, they are a combination of all-men, all-women and mixed organisations. All the projects have specific targets for women to be included in each intervention.

### 3. NATIONAL AND INTERNATIONAL PERSPECTIVES

#### 3.1. Presentation by Mr Shoaib Sultan Khan

15. Mr Khan’s presentation included a history of RSP-related initiatives as well as their conceptual foundations and achievements. Mr Khan has often emphasised that the state system includes an administrative pillar and a political power and that the RSPs provide the socio-economic pillar, which is often the missing link in approaches to poverty reduction. Over the years, Mr Khan has also distinguished between the conceptual package and the programmatic package of interventions offered by the RSPs, which are tailored to specific projects and their context.

16. The conceptual package is at the core of the socio-economic pillar and the RSP approach. It emphasises organising the poor and building their skills and capital. It is well established that this function cannot be performed by the administrative or political pillars of the state: government departments and elected institutions do not have the capacity to engage all or an overwhelming majority of people, especially the poor and vulnerable, in planning, implementing and monitoring their own development agenda.

17. The RSPs’ programmatic package includes two kinds of interventions, those that are implemented directly by the RSPs and funded for the duration of a project, and goods and services that are obtained through linkages with government departments, NGOs and commercial entities. Ensuring linkages for pro-poor service delivery through the public sector is the responsibility of the government. Mobilising the poor around the conceptual package, and capacitating them to identify and implement the programmatic package, is the job of autonomous support mechanisms such as the RSPs.

18. Mr Khan referred to the original articulation of this approach through the 1992 report *Meeting The Challenge*, which was adopted by South Asia’s heads of state and government at their Dhaka Summit in 1993.<sup>10</sup> This report was greatly influenced by Mr Khan’s work with AKRSP, starting in 1982. It also reflected diverse experiences and considered perspectives from other countries of South Asia. The report (on p. 94) emphasised that “The centrepiece of the strategy and the policy framework would have to be the mobilisation of the poor themselves through their own organisations.” Its other main recommendations are reproduced in Text Box 1.

19. At the operational level, Mr Khan outlined how the micro investment plan (MIP) takes shape at the core of the programmatic package for poverty reduction (refer to Table 1). This is a generic outline that reflects engagement between RSPs and each and every poor household identified for inclusion in a

#### Text Box 1: Recommendations of *Meeting The Challenge*

p. 139: Each Government should:

- Support, financially and administratively, the establishment of independent non-governmental ... support mechanisms to catalyse the formation of organisations of the poor ... building on the success cases on the ground [including AKRSP].
- Commit adequate financial resources on a long-term basis to these support mechanisms to enable them to provide the required services to the organisations of the poor.
- Other organisations of the State system and the banking system should be reoriented, *inter alia*, by devolving appropriate powers and responsibilities ... with the aim of providing the necessary support.

Source: *Meeting The Challenge*.

<sup>10</sup> *Meeting The Challenge*; Kathmandu: Report of the Independent South Asian Commission on Poverty Alleviation, Secretariat of the South Asian Association for Regional Cooperation, 1992. The commission consisted of highly-regarded South Asian intellectuals, policy managers and practitioners concerned with poverty issues.

given project. In practice, every poor household identifies an opportunity through which they believe they can increase their income, if they are given a small grant or interest-free loan. A concrete example of the diversity of choices made by poor households in this process is given in Section 4.2, based on data from SUCCESS.

**Table 2: Outline of the micro investment plan (MIP)**

Levels	Plans Identified	Interventions
Household	<ul style="list-style-type: none"> <li>Income Generation</li> </ul>	<ul style="list-style-type: none"> <li>Training</li> <li>Community Investment Fund (CIF)</li> <li>Line of Credit</li> </ul>
Group Level	<ul style="list-style-type: none"> <li>Land development</li> <li>Enterprise development</li> <li>Input supply and marketing</li> </ul>	<ul style="list-style-type: none"> <li>Line of credit</li> <li>Training</li> <li>Technical Assistance</li> </ul>
Village Level	Social sector services such as: <ul style="list-style-type: none"> <li>Drinking water supply and sanitation</li> <li>Education</li> <li>Infrastructure needs</li> </ul>	<ul style="list-style-type: none"> <li>Productive infrastructure</li> <li>Linkages with government agencies, donors and NGOs</li> </ul>

20. The process starts with a complete census of the project area to identify the poor by means of the PSC. The RSP validates survey findings through communities, minimizing survey error. Then social mobilisation is initiated in pursuit of a three-tier approach:

- first form community organisations (COs), which are self-help groups with approximately 15 households each, which must start collective saving;
- CO representatives form the general body of the village organisation (VO);
- at the union council level, VO representatives form the general body of the local support organisation (LSO).

21. In consultation with the RSP and each other, all CO members prepare their MIPs by deciding how they will increase household income through:

- an income generating grant (IGG) if they are extremely poor (PSC 0-11), do not have the capacity to take and repay loans, and the CO decides to give them a grant;
- an interest-free loan from the revolving community investment fund (CIF) for the other CO members; and,
- technical and vocational skills training (TVST) for a household member, either male or female, leading to employment or self-employment.

22. Where resources are available, the RSPs also offer:

- micro health insurance (MHI) to the poorest households; and,
- community-identified, community physical infrastructure (CPI).

23. Mr Khan's presentation also included a summary of the outreach of RSPs:<sup>11</sup>

- 460,236 community organisations (COs), out of which 237,876 are women's COs;
- 7,854,270 households are members of the COs (54 percent of the members are women);
- 145 out of the 148 districts in the country and 4,332 out of the 5,846 union councils;
- 1,908 LSOs at the union council level (782 are women-only); and,
- Outreach extends to a population of 51.1 million.

<sup>11</sup> National and international evidence on the impact of poverty reduction initiatives is presented in Section 6.

### 3.2. Presentation by Mr Qaim Shah

24. Mr Shah's presentation summarised the global and national challenge in terms of poverty reduction, introduced a typical poverty graduation approach, described poverty graduation projects implemented through the PPAF and the RSPs (several of them with IFAD support), and made a case that the prerequisites for scaling up graduation as a national programme are in place. He started by pointing out the global challenge for poverty reduction: more than 700 million people live on less than USD 1.90 a day (Purchasing Power Parity), while the Sustainable Development Goal Number 1 is zero poverty by 2030. In Pakistan:

- 38.8 percent of the people are poor in terms of the Multidimensional Poverty Index (2014-15 data),<sup>12</sup>
- the country is placed 150th out of 189 countries in the Human Development Index;
- in terms of the gender gap, it is 148th out of 149 countries; and,
- in relation to climate change, it is deemed to be the 7th most vulnerable country.

25. Currently, 5.7 million poor households are receiving unconditional cash transfers under the BISP. The graduation approach provides evidence that supporting many of these families through the right kind of response, such as asset transfers and vocational training, and linking them to markets and, after graduation, to value chains can move them up the poverty ladder sustainably. Mr Shah observed that graduation programmes typically consist of a coordinated and sequenced multi-sectoral package of support over 18-36 months, which includes:<sup>13</sup>

- food or a regular cash transfer;
- seed capital, transfer of a productive asset, or links to employment;
- livelihood skills training and soft-skills training;
- savings promotion, access to financial services, and related skills;
- coaching or mentoring; and,
- women's development/empowerment.

26. The PPAF supported a pilot graduation project called the Social Safety Net - Targeting Ultra Poor (SSN-TUP, 2007-2010) under the IFAD-financed Microfinance Innovations and Outreach Programme launched in Sindh coastal areas. This covered 1,000 households through 5 NGOs in 5 taluqas (200 households each). The findings of its impact assessment are reported in Section 6.2. The approach was replicated by PPAF under World Bank Livelihood Enhancement Programme, covering approximately 73,000 households (438,000 persons) during 2009-2015, and also through another project covering 20,000 households (120,000 persons) with German and Italian assistance during 2012-2018.

27. IFAD's large-scale involvement with poverty graduation in Pakistan started with SPPAP in 2010. It initially operated in 4 and now in 10 districts with 80,000 beneficiary households. Its poverty graduation target is 51,000 households. The cost comes to USD 562 per household, or USD 61 per person. The IFAD-supported Gwadar-Lasbela Livelihoods Support Programme started in 2013 in 2 districts, aiming at 20,000 beneficiary households. Its poverty graduation target is 10,000 households. The NPGP started in 2018 in 23 districts across the country, aiming at 156,240 beneficiary households at a cost per household of USD 467.

28. The presentation summarised key lessons from SPPAP:

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<sup>12</sup> Poverty data for the official poverty line and multidimensional poverty are not available since 2014-15.

<sup>13</sup> This may be compared with a typical RSP package described in paragraphs 18-19 and the package offered by SUCCESS in paragraph 40.



- Poverty graduation approaches and models are replicable and results can be scaled up.
- Targeting is a key element of poverty graduation programmes.
- Community organisation approaches need to ensure membership and participation of all ultra-poor and poor (e.g., mandatory participation of poor; exempt PSC 0-11 from community contribution and compulsory savings).
- Flexibility in design is needed to respond to individual household solutions and operational constraints (e.g., cost of household packages).
- Vocational trainees need to be linked with credit sources.
- Poverty graduation is a continuing process and not a one-off intervention. It requires a long-term strategy with emphasis on an outcome-driven and sustainable approach, rather than the project target and input-driven approach. Thus, the project should reassess each beneficiary household afresh to see what kind of assistance and support (both project and non-project sources) is required, and what kind of linkages or partnerships could support these households to keep them moving along the poverty graduation trajectory and beyond PSC 34.

29. With a total cost of USD 150 million (IFAD USD 100 million, government USD 50 million), the IFAD-supported NPGP reflects these lessons. Its goal is to assist the ultra-poor and very poor in graduating out of poverty on a sustainable basis and simultaneously improving their overall food security, nutritional status and resilience to climate change. It is designed to reach 156,240 poor households in 23 districts of Balochistan, Punjab, KP and Sindh. These districts have been selected from Extreme Poverty Zones 1 and 2, assessed by a multidimensional poverty index (which is used for district selection, not impact assessment). The theory of change anticipates that beneficiary households will escape poverty and/or attain a higher level of socio-economic wellbeing on a sustainable basis.

30. Going forward, it must be appreciated that:

- A credible targeting mechanism is available in the shape of BISP PSC data.
- The demonstrated success of approaches used in previous projects can now be scaled up.
- Sufficient social capital is available: 573,000 community organisations exist (organized by RSPs).
- Tested and proven graduation models and social mobilisation capacity can be combined to deliver the graduation model.

31. Policy engagement is needed for continuous interaction with government in formulating and refining federal and provincial poverty reduction strategies. Partnership is key to create synergies and complementarities among development partners, such as the following:

- Interest-free loan is a key part of the National Poverty Graduation Initiative (NPGI) under the government's Ehsaas programme.
- Collaboration with BISP is needed for data sharing and the possibility of a dashboard for live tracking.
- With increasing outreach, the cash transfer amount saved by graduating households could be ploughed back in NPGI.

## 4. POVERTY REDUCTION STRATEGY AND PROGRAMMES IN SINDH

### 4.1. The Government of Sindh Poverty Reduction Strategy

32. The presentation by Ms Hina Shahid included a poverty diagnostic, an introduction to the PRS and a status report on its implementation. The poverty diagnostic is summarised as follows:

#### ***Determinants of poverty:***

- Rural poverty is a direct feature of lack of income-generating assets.
- Urban poverty is a direct feature of lack of employment and incomes.

**Key aspects of poverty alleviation:**

- Survival issues: drinking water, housing, sanitation, nutrition, health. These issues drain income and are avoidable.
- Income issues: organised infrastructure and market facilities, education and skills. These are factors that raise income.

33. The PRS is based on 3 key strategies:

**Strategy 1, community-driven local development (CDLD), which is the foundation:**

- Build on and expand the UCBPRP programme to all districts.
- Improve programme approach and implementation.
- Mainstream CDLD and integrate approach with line departments.

**Strategy 2, addressing urban poverty:**

- Target small towns within rural districts.
- Target employment opportunities and enterprise development.
- Develop urban economic clusters.

**Strategy 3, addressing rural poverty through rural growth centres/service hubs:**

- Identify hubs that serve clusters of villages.
- Consolidate services and facilities, provide growth opportunities.

34. The PRS was developed as a collaborative effort by the Government of Sindh-supported by the SUCCESS TA team, approved in March 2018 and launched by the Chief Minister at the Sindh Development Forum. It received formal approval by the Provincial Cabinet in October 2018, with a target budget of PKR 72 billion envisaged for implementation. Since then, the PRS has been adopted as formal GoS policy and GoS has moved actively into implementation.

35. The government has taken the following key decisions for PRS implementation:

- Strategy 1 will be implemented through PPRP and Strategies 2 and 3 under the auspices of the Urban Directorate of the Planning and Development Department.
- In October 2018, the Chief Minister approved 4 districts as target districts for potential development as pilot rural growth centres – Thatta, Tharparkar, Badin and Sujawal. Larkana was added in July 2019.
- Key 2018-19 and 2019-20 annual development plan allocations have been made for the expansion of PPRP and for starting the pilot programme for rural growth centres. The Chief Minister has approved Sujawal as the first potential site for pilot implementation.

36. In terms of the implementation of Strategy 1:

- The GoS has finalised the PC-I for the implementation of the new expansion programme. This entails the expansion of the CDLD approach to all the remaining districts of Sindh not already covered by the ongoing PPRP.
- GoS has made some new decisions about the PPRP expansion, including: adding selected peri-urban Districts of Karachi and Hyderabad; and, bifurcation of the expansion programme, whereby 2 districts will be covered using the traditional social mobilisation approach and other districts through a separate programme, which will focus on employment opportunities and enterprise development.

37. For Strategy 2 (urban development):

- A session with Experts on Tackling Urban Poverty through Enterprise Development was conducted in collaboration with the Urban Directorate, Planning and Development Department.
- GoS made some new decisions about PPRP expansion, including: adding selected peri-urban Districts of Karachi and Hyderabad; placing 4 districts in a separate programme, which will focus on employment opportunities and enterprise development; PPRP is adding elements of Strategy 2 (urban poverty) including urban economic clusters and enterprise development) as a key focus for PPRP expansion.

38. For Strategy 3 (rural growth centres):

- Consultation workshops on rural growth centre options have been held in Sujawal and Tharparkar.
- District profiles with further comprehensive GIS mapping and statistical research have been prepared for all target districts, together with exploratory visits to identify potential clusters and rural growth centre locations.
- Stakeholders Consultation at Sujawal District voted for pilot rural growth centre sites
- The Chief Minister has approved the proposal from the Planning and Development Department identifying Chuhar Jamali in Sujawal District as the first potential rural growth centre pilot site.
- The Urban Directorate is now proceeding with the detailed stage of feasibility assessment and infrastructural gap analysis.
- Consultative session with Stakeholders at Mithi, Tharparkar has been conducted in collaboration with Urban Directorate.

#### **4.2. Sindh Union Council and Community Economic Strengthening Support Programme**

39. Mr Fazal Saadi's presentation started with a note on the evolution and spirit of the RSPs, included an overview of the programme and a profile of the poor in the 8 programme districts, a summary of the choices made by poor women through the MIP process, main outcomes and impact, and lessons and challenges. By way of background, the presentation recalled that:

- SUCCESS is among the recent initiatives that have emerged from the experiences of Mr Shoaib Sultan Khan in Pakistan (particularly Sindh) and neighbouring countries (including India).
- It started when the European Union approached Mr Khan after seeing women's empowerment and other achievements of the GoS-financed UCBPRP.
- It incorporates pro-poor interventions tried and tested in Pakistan since 2008 with assistance from Australia, European Union, Germany, IFAD, Italy, the United Kingdom and the Governments of Azad Jammu and Kashmir, Balochistan, KP, Punjab and Sindh.
- Its philosophy is to trust and empower people to improve their lives, and change hearts and minds. This comes from Mr Khan and his mentor, Dr. Akhter Hameed Khan. This is the way AKRSP started in 1982 and it is what defines the RSPs.

40. The following key elements introduce the programme:

- SUCCESS objectives relate to: graduating the poor out of poverty; better access to social services; empowering women and communities; and realising GoS support for community-driven local development.
- The budget is EUR 82 million and the programme duration is 5 years (Feb. 2016-Jan. 2021)
- Three implementing partners are NRSP (4 districts), SRSO (2 districts) and TRDP (2 districts).

- The programme area consists of districts Sujawal, Matiari, Tando Mohammad Khan, Tando Allah Yar, Larkana, Kambar Shahdadkot, Dadu and Jamshoro.
- For targeting the poor, SUCCESS conducted a 100 percent census of 5.69 million people in 850,000 households and found 475,000 households (56 percent of the total) in the PSC 0-23 (or poor) category.

41. The presentation emphasised the importance of understanding the target group – the poor – in order to devise relevant interventions, as all too often experts make recommendations without considering the resources and priorities of the poor. For example, much has been made of small initiatives, including some sponsored by the corporate sector, that focus on better-off households with greater education and assets who are very different from the SUCCESS target group. SUCCESS data from its census of households leads to a specific profile of the poor:

- 92 percent of the poor are landless, with a few owning less than a subsistence holding.
- 87 percent of adults (96 percent of women) had not attended school.
- 8 percent owned a motor cycle/scooter and none owned car or tractor.
- 53 percent owned livestock, averaging 0.8 heads of cattle and 0.8 goats per household.
- 91 percent of those working outside the house earn from agricultural or off-farm labour that pays daily wages in cash or kind.
- 73 percent owned a mobile phone and only 0.1-1.6 percent owned various household appliances.
- 81 percent of the men and 71 of the women had national identity cards less 1 percent of the poor had birth certificates.
- 76 percent of the households had electricity and 84 percent had access to improved sources of water.
- 48 percent did not have a toilet in the house and only 11 percent had a flush toilet.

42. SUCCESS offers a package to its target group that includes:

- 70 of the households are organised into COs of approximately 15 households each, VOs formed by CO representatives, and union council level LSOs formed by VO representatives (three-tier approach).
- Every CO member prepares the MIP and decides how she will increase income. Based on this:
- Households in PSC 0-12 are provided IGGs, only if the CO says they should get one instead of a CIF loan. The maximum is PKR 25,000 and the average PKR 15,000.
- Households in PSC 0-23 are provided interest-free loans from the CIF. The maximum is PKR 30,000 and the average is PKR 16,000.
- Households in PSC 0-23 get vocational training (for men and women).
- 25 percent of the poorest (PSC 0-12, starting from lowest score) are provided MHI. The premium is PKR 25,000 per year per family member for hospitalisation costs.
- Each VO is provided with a grant for CPI. The maximum is PKR 900,000 and the average is PKR 400,000.

43. Some observers of SUCCESS and UCBPRP have taken the position that these projects and their implementers are following a preconceived one-size-fits-all approach, which does not reflect diversity across districts and households. It is important to note that a common process such as the MIP does not lead to a few common choices but actually fully accommodates diversity.<sup>14</sup> Data from SUCCESS

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<sup>14</sup> This is also true for business processes such as bank loans and wholesale marketing, where a common process caters to a large number of diverse consumers and leads to diverse outcomes.



show the kind of diverse choices made by poor rural women and men and the variations observed across the 8 programme districts:

***69,036 CIF borrowers found 64 different uses for the loans, with significant differences across districts:***

- livestock loans: Dadu 66 percent and Tando Allah Yar 99 percent of the borrowers;
- enterprise loans: Tando Allah Yar 1 percent, Dadu 22 percent; and,
- agriculture loans: Matiari, Tando Allah Yar, Sujawal and Tando Muhammad Khan 0 percent, and Kambar Shahdadkot 22 percent.

***Investment by 22,883 IGG recipients varied significantly across districts:***

- in livestock: Jamshoro 78 percent, Tando Allah Yar almost 100 percent of recipients;
- in enterprise: almost zero in Tando Allah Yar and Matiari, 20 percent in Jamshoro; and,
- in agriculture: almost zero in 4 districts, 9 percent in Kambar Shahdadkot.

***TVST preferences of 14,050 individuals (88 percent of them women) included 37 types of technical and vocational skills in 8 main categories. The range of preferences varied significantly across districts:***

- garments: Matiari 53 percent, Larkana 88 percent;
- beauty salons: near 0 percent in Larkana and Kambar Shahdadkot, Dadu 18 percent;
- automobile: Kambar Shahdadkot zero, Matiari 29 percent;
- electronics: zero in 6 districts, 8 percent in 2 districts;
- crop-livestock development: zero in Dadu, Larkana, and 15 percent in Kambar Shahdadkot;
- food processing: zero in 6 districts, 3 percent in Sujawal; and,
- construction: zero in 7 districts, 3 percent in Tando Mohammad Khan.

44. This and other information available so far suggests that:

- The poor make profitable choices through MIP for CIF, IGGs and training that are consistent with their resources and local markets. A process or research method that can improve upon the choices made by tens of thousands of poor rural women has not been identified so far.
- By all accounts, impact on incomes and assets (income-generating assets, consumer durables and human capital) is visible within months. This is consistent with the national and international evidence reported in Section 6. It is largely sustainable and often enhanced or multiplied over time.
- MHI has saved the poorest in distress from overwhelming burden and pauperisation.
- Many LSOs and VOs have established linkages with government and NGO service providers. The government has not institutionalised these linkages but they are taking place by reason of mutual convenience, depending on departmental resources and targets.
- With active encouragement from RSPs, there has been immense increase in women's confidence, greater say in household decision making and increased mobility for some (especially the community leaders).

45. The following elements are considered important for enhancing sustainability:

- Community institutions instil the principles of participation, inclusiveness, self-help, and downward accountability.
- A cadre of honest and sincere local community leaders is created, including a trained cadre of community resource persons.

- Participation of communities in planning and implementation
- The CIF is important for financial sustainability.
- Linking communities with government departments for services is important.
- Beyond SUCCESS, the RSPs need to provide limited but ongoing technical support for continuing some key functions (e.g., linkages with government, monitoring of CIF and capacity building of community institutions for emerging needs).

### **4.3. People's Poverty Reduction Programme**

46. Mr Samejo started his presentation by recalling the objectives of the programme:

- The overarching objective of this project is to improve the quality of life of the marginalized communities that lack basic facilities by involving the Rural Support Organisations.
- The specific objective is to build up the capacity of the deprived population, living in the rural areas through social mobilisation to empower the local communities both socially and economically enabling them to improve their livelihoods and increase their incomes through Income Generating Grants and Community Investment Fund (CIF) i.e interest free loans.

47. The target group is women in the PSC 0-23 category (PSC 0-11: extremely poor, PSC 12-18 chronically poor, PSC 19-23 PSC transitory poor). The programme duration is 4 years (2017-2021) and its budget of PKR 6.35 billion is provided by the Government of Sindh. The programme area covers six districts (34 tehsils/taluqas and 367 union councils).

48. The expected outcomes are:

- organising 802,037 rural households;
- increased income of 25 percent of the targeted poor households;
- poverty reduced or eliminated for 25 percent of the targeted poor by the end of the programme (2021);
- 40 percent of a total of 7,218 total trained female or male household members will be employed or self-employed;
- 9,623 houses will be constructed for the poorest; and,
- 367 business groups will be developed.

## **5. SRSP INITIATIVES IN KHYBER PAKHTUNKHWA**

### **5.1. Women's Economic Empowerment and Market Development Project**

49. The main message of this presentation by Mr Masood ul Mulk was to show how SRSP changed its approach to economic development of women, while retaining the focus on poverty graduation and social mobilisation. Mr Mulk first presented SRSP's traditional approach to enterprise development, which he described as:

- serving wishes and not the potential;
- focusing on the individual;
- offering training; and,
- asset transfer.

50. The challenge, he said, was to address the missing link, that is, the market. For this, it is important to understand market trends and demands, absorption capacity, and linkages and integration. Sustainability is also a challenge. These are the challenges that SRSP addressed through WEEMD. The poverty graduation impact generated as a result is reported in Section 6.2

51. The new approach revolved around a value chain concept. The basic principle is that of poverty targeting and pro-woman development and the approach is demonstration focused. It entails:

***Market assessment to identify existing potential sectors, identifying:***

- actors in the sector, from producers to consumers;
- their Inter-linkages; and,
- gaps and strengths.

***Value chain mapping of the selected sectors, identifying solutions in the form of:***

- commercial solutions;
- smart subsidies;
- market integration;
- exposure; and,
- collective management.

52. The project identified 6 sub-sectors (artificial garlands, cloth cluster, fresh milk, marigolds, animal fattening and textile made-ups) using the following selection criteria for sectors and sub-sectors:

- local market demand;
- women's engagement in the sector;
- cultural acceptance;
- income generation/enhancement potential; and,
- potential for further employment.

## **5.2. Community Investment Fund Programme**

53. This is another presentation in which SRSP documented its learning-by-doing approach, in this case for the community investment fund programme. Mr Waiq Khan gave the presentation and defined a community investment fund as:

- A fund which is owned, run, and managed by the communities themselves.
- A socially viable and financially sustainable model that ensure women's access to capital (creating a second source of income within the family).

54. Mr Khan noted that the old SRSP programme lasted from 2009 to 2012 and was implemented in 4 districts, covering 263 VOs and more than 12,000 women. SRSP learned some lessons from this programme:

- Sustainability: there were gaps between income and expenditure at the VO level and a subsidy was required for managing the programme after project completion.
- Community capacity building: there was limited community-based CIF management training.
- Fund management: the targets were too high and there was limited time for delivery.
- The monitoring system had deficiencies.

55. The ongoing (2010-2019) CIF programme extends to 56 VOs in 5 districts and has engaged more than 4,000 women. Its graduation impact is reported in Section 6.2. The reasons for its reported success are that SRSP paid attention to the lessons mentioned above. It ensured better monitoring and greater community capacity building, cost effectiveness and financial viability.

## 6. EVIDENCE ON POVERTY GRADUATION

### 6.1. International Evidence

56. Mr Qaim Shah explained in his presentation that, in 2002, Building Resources Across Communities (BRAC)<sup>15</sup> pioneered the Targeting the Ultra-Poor Programme and supported over half a million very poor households. To test the BRAC model, the Consultative Group to Assist the Poor (CGAP) and the Ford Foundation launched 10 pilot programmes in 8 countries in 2006. The impact assessment found:

#### ***Strong positive impacts sustained over time***

- The poverty graduation rate was between 75 percent and 98 percent.
- Income: 37 percent increase in earnings and diversified assets and source of income. Value of productive assets tripled.
- Food consumption: statistically significant 9 percent increase.
- Assets: beneficiaries' productive assets increased by 15 percent.
- Household savings increased by 96 percent one year after the programme ended.

#### ***A cost-effective approach***

- Return on investment on per household cost ranged from 133 percent to 433 percent.
- The cost-effectiveness of the programme was high, with annual household income gains of 7-25 percent.

### 6.2. Evidence from PPAF and RSPs

57. Mr Qaim Shah also presented the findings of the SSN-TUP Impact Survey conducted in January 2012:

- Beneficiary income: increased by 178 percent (2008–2012), who earned PKR 34,122 more in a year than the non-beneficiaries.
- Beneficiaries diversified their sources of income.
- Assets grew by 189 percent (from before the programme up to the survey).
- Livestock was the most common asset preferred by the poor for asset transfer and had the largest impact in terms of increasing assets' worth over time.
- Household savings increased from PKR 711 to an average of PKR 9,676
- The poverty graduation rate was 84 percent, as reported by partner organisations, and 44 percent as estimated by the study.

58. He also quoted findings from the SPPAP impact assessment survey of 2017:

- Reduction in the percentage of households in the category "extremely poor" (PSC category 0-11) from 58 percent to 4 percent.
- Reduction in the percentage of "chronically poor" (PSC category 12-18) from 36 percent to 21 percent.
- 79 percent respondents reported modest to significant increases in incomes.
- Overall, 70 percent reported increases in income from livestock.
- 98 percent beneficiaries of small houses expanded income generation opportunities.
- Living and health conditions of 76 percent beneficiaries significantly improved through infrastructure support.

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<sup>15</sup> Earlier known as the Bangladesh Rural Advancement Committee.



- 45 percent accumulated savings equivalent to one-month income or expenditures.
- 41 percent reduction in unemployment rate.

59. Evidence reported by Mr Mulk from the SRSP's WEEMD project, reproduced in Table 3, shows that:

- The percentage of beneficiaries in the PSC 0-11 category declined from 43 percent to 22 percent and of those in PSC 12-18 from 30 percent to 15 percent.
- Overall, the percentage in the PSC 0-23 category decreased from 100 to 55 percent, with 45 percent moving up into PSC 24-100.

**Table 3: Poverty graduation in the Women's Economic Empowerment and Market Development Project (SRSP)**

PSC Score	Respondents Pre-intervention		Respondents Post-intervention	
	Number	Percentage	Number	Percentage
0-11	4,738	43%	2,394	22%
12-18	3,242	30%	1,620	15%
19-23	2,961	27%	2,017	18%
0-23		100%		55%
24-100	0	0%	4,910	45%
Total	10,941	100%	10,941	100%

60. Evidence reported by Mr Waiq Khan from the SRSP's CIF programme, shown in Table 4, shows that:

- The percentage of beneficiaries in the PSC 0-11 category declined from 25 percent to 4 percent and of those in PSC 12-18 from 51 percent to 21 percent.
- Overall, the percentage in the PSC 0-23 category decreased from 100 to 60 percent, with 40 percent moving up into PSC 24-100.

**Table 4: Poverty graduation in the SRSP's community investment fund programme**

PSC Score	Respondents Pre-intervention		Respondents Post-intervention	
	Number	Percentage	Number	Percentage
0-11	1,644	25%	270	4%
12-18	3,353	51%	1,370	21%
19-23	1,578	24%	2,282	35%
0-23		100%		60%
24-100	0	0%	2,635	40%
Total	6,575	100%	6,575	100%

61. Moreover:

- Out of the 11,007 women who are members of 56 VOs, 6,575 (60 percent) were interviewed to assess the immediate benefits of the intervention, and 96 percent of them reported an average income increase of PKR 6,122 per month.
- A survey of more than 1,100 CIF beneficiaries revealed that 35 percent of the income derived from CIF interventions was invested in better education and health of children.
- More than 79 percent of the funds are utilised directly by women by investing the funds in different income generating activities.

62. Evidence cited by Mr Atif Zeeshan from the PEACE programme implemented by SRSP, is reported in Table 5. This programme's interventions included PKR 13,200 per beneficiary as a grant, mobilization and visits, enterprise development training and basic numeracy and literacy. This led to changes in the poverty status of the beneficiaries:

- The percentage of beneficiaries in the PSC 0-11 category declined from 25 percent to 4 percent and of those in PSC 12-18 from 51 percent to 21 percent.

- Overall, the percentage in the PSC 0-23 category decreased from 100 to 60 percent, with 40 percent moving up into PSC 24-100.

**Table 5: Poverty graduation in the Programme for Economic Advancement and Community Empowerment (SRSP)**

PSC Score	Respondents Pre-intervention		Respondents Post-intervention	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
0-11	75	22%	11	2%
12-18	122	35%	78	23%
19-23	111	33%	85	25%
0-23		90%		50%
24-100	36	10%	170	50%
Total	344	100%	344	100%

63. The reported benefits included:

- Income increased from PKR 6,831 to 14,323 per month, per beneficiaries.
- 98 percent of the businesses were new.
- 34 percent of the women were involved in financial management.
- 24 percent women's mobility enhanced.
- 84 percent exercised control over income.
- 67 percent of the businesses were successful.

64. Mr Zeeshan also reported the poverty graduation impact of the PPAF-SRSP asset transfer programme in 5 districts. This programme's interventions included PKR 50,000 per beneficiary as a grant, mobilisation and need-based visits, and enterprise development training. This led to changes in the poverty status of the beneficiaries, as reported in Table 6:

- The percentage of beneficiaries in the PSC 0-11 category declined from 53 percent to 23 percent and of those in PSC 12-18 increased from 47 percent to 57 percent.
- Overall, the percentage in the PSC 0-23 category decreased from 100 to 99 percent, with 1 percent moving up into PSC 24-100.

**Table 6: Poverty graduation in the PPAF-SRSP asset transfer programme**

PSC Score	Respondents Pre-intervention		Respondents Post-intervention	
	<i>Number</i>	<i>Percentage</i>	<i>Number</i>	<i>Percentage</i>
0-11	318	53%	136	23%
12-18	282	47%	340	57%
19-23	0	0%	116	19%
0-23		100%		99%
24-100	0	0%	8	1%
Total	600		600	

## Annex 1: Tested Interventions in a Typical Graduation Programme

### The Famous Study Led by 2019 Nobel Laureates

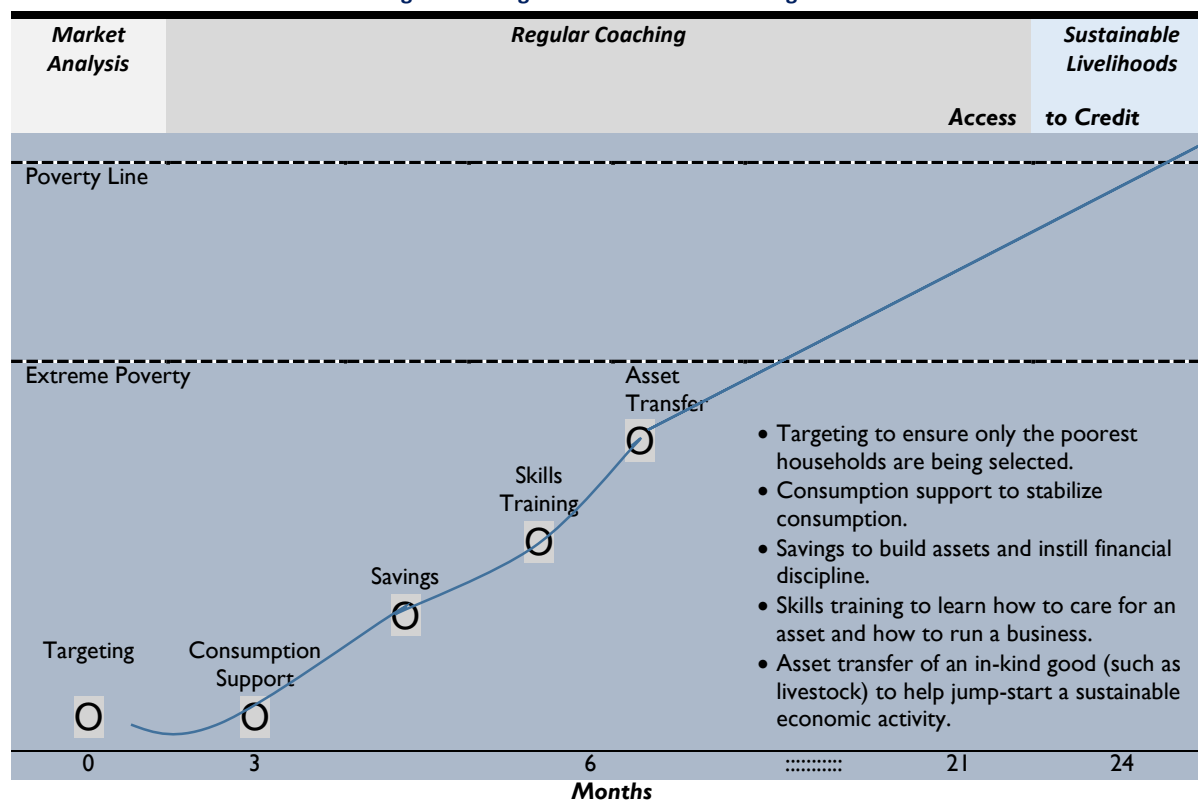
Graduation approaches often cite a study based on randomised control trials (RCTs) in 6 countries, including Pakistan.<sup>16</sup> The 6 interventions used for graduation that are mentioned in this study are targeting, productive-asset transfer, training in the use of the asset, consumption support, savings, high-frequency home visits, and support for health services (in 5 of the 6 countries).

The same 6 activities are mentioned in the basic graduation model articulated by the Consultative Group to Assist the Poor (CGAP), illustrated below in Figure 1:

- productive asset transfer: a one-time transfer of a productive asset;
- consumption support: a regular transfer of food or cash for a few months to about a year;
- technical skills training on managing the particular productive assets;
- high-frequency home visits;
- savings: access to a savings account and in some instances a deposit collection service and/ or mandatory savings; and, some health education, basic health services, and/or life-skills training.

### The CGAP Graduation Model

Figure 7: The graduation model according to CGAP



Source: Syed M. Hashemi and Aude de Montesquiou, "Reaching the Poorest: Lessons from the Graduation Model," CGAP Focus Note No. 69, March 2011 (<http://www.cgap.org/publications/reaching-poorest-lessons-graduation-model>).

<sup>16</sup> Abhijit Banerjee, Esther Duflo, Nathanael Goldberg, Dean Karlan, Robert Osei, William Parienté, Jeremy Shapiro, Bram Thuysbaert and Christopher Udry, "A multifaceted programme causes lasting progress for the very poor: Evidence from six countries," *Science*, May 2015 (<http://gap.hks.harvard.edu/multifaceted-program-causes-lasting-progress-very-poor-evidence-six-countries>). The first 2 authors have been awarded the 2019 Nobel Prize in Economics. *Science* is published by the American Association for the Advancement of Science, the world's oldest and largest general science organisation.



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