



Program Information Document (PID)

Concept Stage | Date Prepared/Updated: 07-Oct-2019 | Report No: PIDC27832



BASIC INFORMATION

A. Basic Project Data

Country Pakistan	Project ID P170568	Project Name Securing Human Investments to Foster Transformation (SHIFT) DPC Series (P170568)	Parent Project ID (if any)
Region SOUTH ASIA	Estimated Board Date Mar 19, 2020	Practice Area (Lead) Education	Financing Instrument Development Policy Financing
Borrower(s) Ministry of Finance	Implementing Agency Benazir Income Support Program - BISP, Ministry of Planning Development and Reform, Ministry of Federal Education and Professional Training, Ministry of National Health Services Regulations and Coordination		

Proposed Development Objective(s)

The development objective of the proposed series is to (i) strengthen CRVS, health and education systems essential for HC accumulation; (ii) improve the contribution of women and girls to economic productivity; and (iii) improve federal safety nets to respond to shocks in a more efficient manner.

Financing (in US\$, Millions)

SUMMARY

Total Financing	250.00
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DETAILS

Total World Bank Group Financing	250.00
World Bank Lending	250.00

Decision

The review did authorize the preparation to continue

B. Introduction and Context

Country Context

- Human Capital accumulation contributes directly to productivity gains and sustained growth.** Currently, Pakistan is not investing enough in its people to accelerate better human capital outcomes. Pakistan scores low in the World Bank Human Capital Index. As the Index is directly linked to productivity, if no changes in human capital



accumulation take place, a Pakistani child born today is expected to be only 40 percent as productive as s/he would be when turning the age of 18. Further, due to gaps in access to core health and education services for girls, there are also important gender disparities in human capital accumulation. This gender gap is seen as well in the current participation of women in the labor force (26.3 percent) and thus, in their limited contribution to productivity. The proposed operation, in the amount US\$250 million equivalent, is the first in a series of two Development Policy Credit (DPC) operations – Securing Human Investments to Foster Transformation – SHIFT - focused on (i) strengthening civil registration and vital statistics (CRVS), health and education systems essential for human capital accumulation; (ii) increasing the contribution of women and girls to economic productivity; and (iii) improving federal safety nets to respond to shocks in a more efficient manner.

2. **Pakistan suffers from recurrent boom and bust cycles that hamper the country's development prospects.** Limited revenue collection, declining export competitiveness and low investment levels contribute to fiscal imbalances. Poverty has declined, especially in urban areas, but inequality is rising. SHIFT is being prepared as part of a package (including the Resilient Institutions for Sustainable Economy – RISE) aimed at supporting medium-term structural reforms over the next 3 years focusing on fiscal management, growth and competitiveness, and human capital outcomes for productivity gains.

Relationship to CPF

3. **The proposed DPC series supports the World Bank Group's Pakistan Country Partnership Strategy (CPS) FY15-20, in particular Results Areas 3 and 4 – Service Delivery and Inclusion, respectively.** Policy reforms in the series support CPS objectives on *improved resources management; improved access to maternal and child health service; increased school enrollment and adoption of education quality assessment. Enhancing inclusion of women across sectors and increasing economic opportunities and productively engaging women* are also objectives of CPS's Results Area 3, and so is the case for the *safety nets reform*. SHIFT is also aligned and informed by the World Bank's Pakistan@100 – Shaping the Future report.

C. Proposed Development Objective(s)

4. The development objective of the proposed series is to (i) strengthen CRVS, health and education systems essential for human capital accumulation; (ii) improve the contribution of women and girls to economic productivity; and (iii) improve federal safety nets to respond to shocks in a more efficient manner.

Key Results

5. **SHIFT is expected to contribute to:** (i) Improvements in the quality of civil and vital statistics and thus increase birth certification rates; implementation of Pakistan Universal Health Coverage (UHC) policy and thus, to improve health outcomes in the medium term, along with increase sustainability of core sub-systems such as immunization; improved quality of education through the implementation of a learning standards policy. (ii) Increase engagement and recognition of women's participation in economic activities, and delayed of age of marriage for girls, thus allowing them more time in school, and lowering early childbearing. (iii) Improve targeting of safety net programs and expansion of education and nutrition cash transfers to help the poor and vulnerable cope with the potential negative impact of the fiscal adjustment.

D. Concept Description

6. The policy reform program under SHIFT is anchored in the program of the Government of Pakistan and organized in 3 Pillars as follows:



- **Pillar A** supports policies on improving quality of CRVS; UHC and progressive integration of vertical programs in the health sector starting by national immunization; and improving equity and quality in basic education. These policies address the objectives under Government programs as follows: (i) Ehsaas¹ Pillars I and III; (ii) federal and provincial education sector strategies.
- **Pillar B** supports policy actions aimed at recognition of women's home-based work, women's participation in the labor force through appropriate working conditions, and delayed marriage and childbearing of girls. These policies are anchored in Government's Ehsaas program Pillar IV and included in provincial governments' blueprints.
- **Pillar C** supports policy actions to improve targeting, update the National Socio-Economic Registry and make it a dynamic database, and expand Conditional Cash Transfers. Such policies are included under Government's Ehsaas program Pillar II.

E. Poverty and Social Impacts and Environmental Aspects

Poverty and Social Impacts

7. **SHIFT supports reforms that are inherently pro-poor and aims at enhancing human capital.** The DPC series also promotes women's engagement in the economy which has been a challenge in Pakistan. These reforms should foster poverty reduction, social inclusion, and gender equality in the mid- to long-term. The reforms in each of the pillars are supported by considerable analytical work (by the Bank and others). Thus, in order to properly assess potential unintended social effects in the short-term and provide continuous technical advice to Government of Pakistan, the Bank is planning just-in-time assessments and continuous policy dialogue to accompany the series.

Environmental Impacts

8. **The actions supported under the proposed DPC series are not likely to cause significant effects on the environment, forests, or other natural resources.** While it is not significant, hospital wastes generated as the result of policy actions in Pillar A would envisage potential adverse environmental and health effects on the community and working personnel if the hospital wastes such as waste vaccines, sharps and syringes, and infectious non-sharp wastes are not adequately handled, segregated, stored, transported, treated and disposed. Support is being provided to the country authorities through technical assistance to help strengthen their capacity on medical waste management.

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¹ Ehsaas is Pakistan's main poverty and alleviation program.



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APPROVAL

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