



COVID-19 PAKISTAN SOCIO-ECONOMIC FRAMEWORK

(14 MAY 2020)

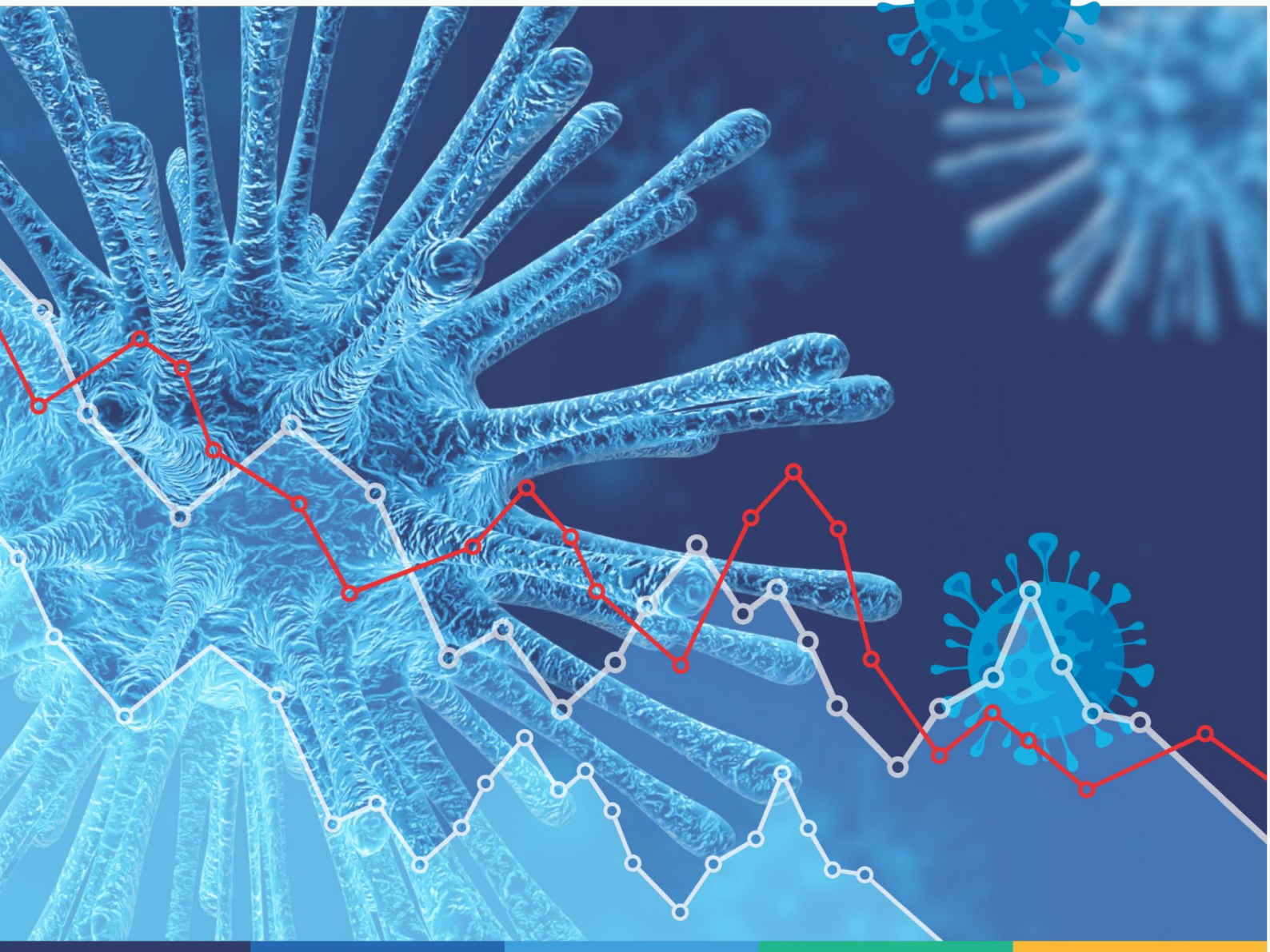
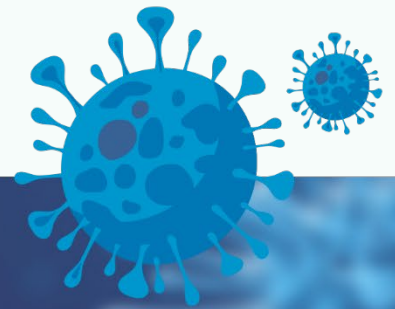


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ACRONYMS

| | |
|--------------|--|
| ADB | Asian Development Bank |
| BHU | Basic Health Unit |
| BISP | Benazir Income Support Program |
| CMAM | Community-based Management of Acute Malnutrition |
| CRMVI | COVID-19's Multidimensional Vulnerability Index |
| CSOs | Civil Society Organizations |
| EFF | Extended Fund Facility |
| EPI | Expanded Program on Immunization |
| FBR | Federal Board of Revenue |
| FIES | Food Insecurity Experience Scale |
| GAM | Global Acute Malnutrition |
| GBV | Gender-based Violence |
| GCC | Gulf Cooperation Council |
| GDP | Gross Domestic Products |
| HBWs | Home-based Workers |
| HDI | Human Development Index |
| HSD | High Speed Diesel |
| IFIs | International Financial Institutions |
| IPC | Infection Prevention and Control |
| ITC | International Trade Centre |
| LFS | Labor Force Survey |
| LG | Local Government |
| LHV | Lady Health Visitor |
| LHW | Lady Health Worker |
| MHPS | Mental Health & Psychosocial Support Network |
| MICS | Multiple Indicator Cluster Survey |
| MISP | Minimum Initial Service Package |
| MMR | Maternal Mortality Ratio |
| MNCH | Maternal, Neonatal and Child Health |
| MSMEs | Micro, Small, Medium Enterprises |

| | |
|---------------|--|
| NADRA | National Database and Registration Authority |
| NAP | National Action Plan |
| NGOs | Non-governmental Organizations |
| NNS | National Nutrition Survey |
| NSER | National Socio-Economic Registry |
| PASSCO | Pakistan Agricultural Storage and Services Corporation |
| PDGN | Pakistan Dietary Guidelines for Better Nutrition |
| PDHS | Pakistan Demographic and Health Survey |
| PoEs | Point of Entries |
| POFI | Pakistan Overview of Food Security and Nutrition |
| PoU | Prevalence of Undernourishment |
| PPE | Personal Protective Equipment |
| PSDP | Public Sector Development Program |
| RHC | Rural Health Center |
| SDGs | Sustainable Development Goals |
| SMEDA | Small and Medium Enterprise Development Authority |
| SOPs | Standard of Practices |
| SRHS | Sexual and Reproductive Health Services |
| UHC | Universal Health Coverage |
| USC | Utility Stores Corporation |
| WRA | Women of Reproductive Age |

EXECUTIVE SUMMARY

This report sets out the framework for immediate socio-economic response to COVID-19 in Pakistan, in line with the [United Nations' global response framework](#). The pandemic is an unprecedented public health crisis. Confirmed cases in Pakistan have skyrocketed from two cases on February 26, 2020, to 34,115 cases – and 737 confirmed deaths – on 13 May 2020.¹ Pakistani lives are the risk, as is the country's social and economic fabric.

Without urgent response measures, COVID-19 may push back Pakistan's hard-won gains on poverty reduction and social indicators. The poverty rate has declined by 40% in the last 15 years² – lifting 23 million people out of poverty. With GDP projected to contract by 1.5%³ in FY2020, there is a real risk that poverty will rise. The pandemic is expected to slash consumption, investment, international trade, remittances and private capital flows. Agriculture will be hard hit, as a prolonged lockdown may disrupt transportation, logistics, labour for harvests and transport, and access to inputs for the next planting season.

Acutely vulnerable groups include: (i) households that rely on agriculture and livestock as their primary or secondary source of livelihood (nearly half of Pakistan's households); (ii) people who depend on wage labour, including skilled/unskilled non-agricultural labourers and forestry workers (22% of households); (iii) households in the poorest wealth quintile that rely on farming, fishing, livestock rearing and agricultural labour (33%) and on daily wage labour, i.e. skilled and unskilled non-agricultural work (29%). Those facing a disruption in essential services are also highly vulnerable, including: (i) nearly 42 million school children unable to attend school; (ii) 17 million children under-five at risk of missing out on immunization; (iii) 4.7 million pregnant women unable to access antenatal and postnatal care; (iv) 2.45 million more people, in addition to the existing 40 million, who are food insecure; and (v) 12 million children who are malnourished and stunted.

The Government of Pakistan has announced a fiscal stimulus package of PKR 1.2 trillion as part of its immediate response to COVID-19. Fiscal measures by provincial governments include: expanding the *Ehsaas* emergency programme's outreach from 5.2 million to 12 million households, distributing PKR 144 billion (PKR 12,000 per household), providing a cash grant of PKR 158 billion to 3 million daily wage labourers in the formal sector, and announcing PKR 50 billion to provide food items to poor families at subsidized rates from Utility Stores. Other measures involve reducing the price of all petroleum products, allowing electricity and gas bills to be paid in instalments over three months, strengthening the capacity of public hospitals to address the pandemic, offering tax refunds for exporters, and raising targets for wheat procurement to inject a cash stimulus into the rural economy.

Through the State Bank of Pakistan, the Federal Government has adopted measures to safeguard financial stability. It has cut the policy rate to 9%⁴, expanded refinancing schemes, announced new facilities to support employment, manufacturing, hospitals and medical centres, and relaxed the conditions of export refinancing and long-term financing schemes. Temporary regulatory measures to sustain the banking

¹ Government of Pakistan (2020) *Pakistan Case Details*, <http://covid.gov.pk/stats/pakistan>

² World Bank (2018) *From Poverty to Equity: Pakistan at 100*. Washington, DC: World Bank.

³ International Monetary Fund (2020) *Pakistan: Request for Purchase Under the Rapid Financing Instrument-Press Release; Staff Report; and Statement by the Executive Director for Pakistan*, Washington, DC: IMF, <https://www.imf.org/en/Publications/CR/Issues/2020/04/16/Pakistan-Request-for-Purchase-Under-the-Rapid-Financing-Instrument-Press-Release-Staff-49342>

⁴ Ministry of Finance (2020) *Economic Updates, April 2020*, http://www.finance.gov.pk/economic/economic_updates_april_2020.pdf

system and economic activity include: (i) reducing the capital conservation buffer by 100 basis points to 1.5%; (ii) increasing the regulatory limit on extending credit to SMEs by 44% to PKR 180 million; (iii) relaxing the debt burden ratio for consumer loans from 50% to 60%; (iv) allowing banks to defer clients' principal payments on loans by one year; and (v) relaxing regulatory criteria for restructured/rescheduled loans for borrowers who require relief beyond the one-year principal repayment extension. The Government has also mobilized extra funding through the International Monetary Fund (US\$1.4 billion) and the World Bank (US\$200 million).

Alongside immediate response, the Planning Commission of Pakistan will develop a *COVID-19 National Action Plan* to guide future measures. The Government will align its budget for the next fiscal year (FY2020-21) with emerging priorities vis-à-vis COVID-19. In this context, the Planning Commission asked the UN Resident Coordinator's Office (UNRCO) to conduct a rapid assessment of COVID-19's socio-economic impact in Pakistan, focusing on vulnerable sectors, households and people. As part of the assessment process:

- UNRCO proposed a five-pillar framework, devised by the UN Sustainable Development Group, covering COVID-19's health, humanitarian and socio-economic impact.
- UNRCO sought the Planning Commission's feedback to ensure government ownership and confidence in the framework's analysis and recommendations.
- All UN agencies contributed contextual analysis and recommendations on their areas of expertise, based on their understandings of COVID-19's current and projected impact.
- Under UNRCO's guidance, the United Nations Development Programme (UNDP) consolidated contributions from UN agencies, the Government, international financial institutions (IFIs), donors and development partners.
- Drafts (versions 1 and 2) were shared and partners' feedback integrated in version 3.

This *COVID-19: Pakistan Socio-Economic Framework* aims to support the Government to minimize, mitigate and manage the effects of the pandemic – to save lives, protect people and 'recover better'. It includes an analysis of resource requirements, pinpointing where technical and financial resources need to be mobilized through government sources, donor assistance and development partners' engagement. This will enable Pakistan to implement new economic priorities, protect jobs and economic activity, ensure food security, and meet the social and health needs of vulnerable groups in a cohesive, collaborative manner.

The framework covers five workstreams. **Pillar 1 is about health.** It focuses on protecting the health system during the crisis, and ensuring that essential health services are available to those in need. The assessment recommends that Pakistan should: (i) continue essential health care services, especially those provided by basic health units and rural health centres; (ii) maintain immunization services for children under-two; (iii) continue reproductive, maternal and child health services; and (iv) ensure a resilient health system.

Pillar 1 proposes a mix of policy, regulatory and humanitarian response measures to implement these recommendations. They include: defining and enforcing standards of practice (SOPs) on interpersonal protective measures for health care workers; ensuring personal protective equipment (PPE) for all public sector hospitals, health extension and outreach staff; improving the quality and accessibility of data on children to guide immunization; and using technology – SMS, social media, the mainstream media and online platforms – to inform parents and caregivers about alternate mechanisms for delivering essential health services, including immunization and reproductive health care. Implementing these recommendations will cost an estimated US\$43 million. It will require action by provincial Departments of Health, the Ministry of Health, the Ministry of Science and Technology, the Mother and Child Healthcare Department, the Expanded Programme on Immunization (EPI), the World Health Organization (WHO), the United Nations Children's Fund (UNICEF), the private sector and civil society organizations (CSOs).

Pillar 2 is about social protection and helping people cope through relief packages, basic services and food security. It recommends that Pakistan: (i) scale up resilient, pro-poor social protection systems; (ii) maintain the food system and essential nutrition services; (iii) ensure the continuity and quality of water and sanitation services; (iv) ensure sustained learning for all children, preferably in schools; (v) support survivors of gender-based violence; and (vi) ensure child protection. The analysis identifies vulnerable groups and uses data from Pakistan and abroad to determine how COVID-19 is likely to affect them.

To implement these recommendations, policy, regulatory and institutional measures are needed, including: ensuring uninterrupted food production, supply chains and food security; expanding the coverage of the *Benazir Income Support Programme* (BISP) to provide unconditional cash assistance for vulnerable urban and rural groups to curb hunger and poverty; and using digital technologies, community structures and alternative models to protect these groups during the pandemic. Reaching out to those farthest behind is a huge challenge. This is why registering vulnerable people with social protection programmes and public services should be a focus of the Government's medium- to long-term agenda. Delivering on these recommendations will cost an estimated US\$170 million. It requires joint work by federal ministries and provincial government departments, with the technical and financial support of donors, UN agencies, development partners and local CSOs.

Pillar 3 is about protecting jobs, vulnerable productive actors and micro, small and medium-sized enterprises (MSMEs) through economic recovery programmes. Building on the Government's response policy, the framework recommends that Pakistan: (i) promote labour-intensive infrastructure and cash for work schemes to protect jobs, develop community infrastructure and increase the distribution of wealth; (ii) implement a 'smart' lockdown, reopening essential production and supply chain services by defining and enforcing SOPs, and providing PPE; (iii) ensure that home-based workers, domestic workers, refugees and other vulnerable groups are considered in the state's response.

The challenge lies in identifying, registering and supporting vulnerable MSMEs and workers (e.g. paid, domestic and informal self-employed workers). Measures for implementing recommendations include: asking the Small and Medium Enterprise Development Authority (SMEDA) for an immediate assessment to identify vulnerable MSMEs in sectors with a strong potential to protect jobs, exports and food security, such as agribusinesses; enacting COVID-19-specific policy and institutional reforms to protect enterprises and entrepreneurs; and launching a support package for MSMEs. Delivering on these proposals will cost US\$1.032 billion. The Government has pledged a similar sum (US\$900) for its emergency stimulus package, but additional resources will be needed to make up the shortfall. These proposals are based on the assumption that the pandemic may end by June 2020.

Pillar 4 is about macroeconomic response and multilateral collaboration. As the Government and its IFI partners have conducted a separate macroeconomic assessment, this pillar summarizes key macroeconomic statistics on poverty, the balance of trade and payments, exchange rates and remittances. It recommends that Pakistan: (i) implement trade facilitation measures for priority products; (ii) build capacity on emergency border processes; (iii) ensure transparent cross-border trade procedures; (iv) prepare forecasts; and (v) provide training for traders. Institutional and regulatory measures will be needed to strengthen multilateral coordination, trade facilitation, trade policy and connectivity. Implementing these recommendations will cost an estimated US\$8 million. It will require action by the Ministries of Commerce and of Industries and Production, the Trading Cooperation of Pakistan, the Trade Development Authority, and the Pakistan Institute of Trade and Development, with support from UN agencies and the International Trade Centre.

Pillar 5 is about cross-cutting aspects of the COVID-19 response, focusing on social cohesion and community resilience. The framework recommends that Pakistan: (i) prioritize political engagement, social inclusion and dialogue; (ii) empower citizens to participate in the COVID-19 response through community-based structures; (iii) maintain transparent communication with citizens to build trust and ensure a credible government response; and (iv) hold local government elections in the medium to long-term to strengthen

governance, the rule of law and community resilience. Implementing these proposals will cost an estimated US\$10 million. Action will be needed by the national, provincial and local governments, Departments of Social Welfare, Health and Education, civil society organizations and the media, with the assistance of UN agencies and donors.

This framework also presents a **Vulnerability Index**, modelled on the Multidimensional Poverty Index (MPI), calculated by UNDP with the support of the Oxford Poverty and Human Development Initiative. It identifies areas where COVID-19 has taken a heavy toll, causing a surge in vulnerability that warrants urgent action. The index also includes food and nutrition indicators to highlight the pandemic's impact on food insecurity and malnutrition.

WAYS FORWARD

- (i) The COVID-19: Pakistan Socio-Economic Framework will be submitted to the Planning Commission for their review and acceptance.
- (ii) The Planning Commission may consider disseminating the framework among federal ministries, departments, and provincial governments, as it deems appropriate.
- (iii) The Government of Pakistan, especially the Planning Commission and COVID-19 National Action Plan team, may consider using this framework's analysis and recommendations to inform the COVID-19 National Action Plan.
- (iv) Provincial governments – especially Departments of Finance and Planning & Development, among others – may consider using the framework to inform provincial COVID-19 response strategies and plans.
- (v) Pakistan's federal and provincial governments may consider using these recommendations and budgetary estimates to inform their budgets for FY2020-21.
- (vi) Other development partners – donors, UN agencies, CSOs, etc. – may consider the framework to inform their engagement with the Government and to provide financial, technical and implementation support for delivering its proposed response measures.

DISCLAIMER

- (i) This report is a 'rapid assessment' of COVID-19's socio-economic impact in Pakistan by the UN. It relies entirely on existing data. While data collection was not undertaken, expert opinions were sought to understand the real-time situation on the ground.
- (ii) The assessment and recommendations are based on the current immediate and near-future impact of COVID-19. Changes in this situation, whether positive or negative, may require fresh stocktaking and the reconsideration of recommended measures.
- (iii) The UN recognizes that implementing some of these recommendations may be challenging due to a lack of data on intended/targeted beneficiaries.
- (iv) These recommendations are 'proposals for consideration'. They should not be considered binding on the Government, UN agencies or other development partners.

SOCIO-ECONOMIC IMPACT ASSESSMENT AND RESPONSE PLAN FOR COVID-19 PAKISTAN

GOAL

To promote sustainable socio-economic development in Pakistan by minimizing and mitigating the negative impact of COVID-19 on vulnerable people and sectors, that are likely to suffer most.

STRATEGIC OBJECTIVE

Ensure an inclusive, collaborative effort to address the multidimensional impact of COVID-19 and protect people's needs and rights, with a focus on the most vulnerable groups and people at risk of being left behind.

OUTCOMES

1. Ensure that essential health services are available and health systems are protected.
2. Help people cope with adversity through social protection and basic services/
3. Protect jobs, vulnerable productive actors and micro, small and medium-sized enterprises through decent work and economic recovery programmes.
4. Guide the surge in fiscal and financial stimulus to make macroeconomic policies work for the most vulnerable, and to strengthen multilateral and regional responses.
5. Promote social cohesion through social dialogue, political engagement and investing in community-led resilience and response systems.

The framework's cross-cutting focus is on 'recovering better' and delivering on the SDGs in Pakistan. This requires a transformational approach – one that addresses the root causes and drivers of economic, social, political and environmental challenges, rather than just targeting their symptoms.

It calls for changes in social structures, institutions and relations, including patterns of inequality – related to income, gender, ethnicity and geography – that hold people back, paired with a focus on better natural resource management and addressing climate change.

INTRODUCTION

The COVID-19 pandemic is the defining global health crisis of our time. The novel coronavirus disease (COVID-19) is one of several infectious disease outbreaks with major public health and economic impacts. The last of these were influenza pandemics in 1957 and 1968, each of which killed more than one million people. But the magnitude of COVID-19's societal and economic disruption makes this a human crisis unlike any other.

Since it emerged in December 2019, the virus has spread to every continent. It was declared a pandemic by the World Health Organization (WHO) on 11 March 2020.⁵ As of 14 May 2020, there were 4.36 million confirmed cases in 187 countries, and 297,491 deaths.⁶ As countries work to stem its spread with different strategies – lockdowns, testing, isolation, treating patients and mitigation measures – the virus' high reproducibility and complex nature threatens to overwhelm health systems in developing and developed states.

In Pakistan, confirmed cases of COVID-19 have skyrocketed, from two initial cases on 26 February 2020, to 35,788 cases – and 770 confirmed deaths – on 14 May 2020.⁷ The Case Fatality Rate has risen to 2.1, with a recovery rate of 27.1%. Pakistan's location makes it especially vulnerable. It borders both China and Iran, which have reported large outbreaks. People are travelling more than they have ever done – for trade, work, education, tourism and pilgrimage – between Pakistan and its high-risk neighbours, as well as Gulf countries and Europe. This increases the risk of COVID-19's spread.

Pakistan's public health system is already under stress. It has a ratio of one doctor for every 963 people and one hospital bed for every 1,608.⁸ It faces an acute shortage of 200,000 doctors and 1.4 million nurses.⁹ The absence of Universal Health Coverage heightens people's vulnerability to COVID-19's health, economic and social fallout.

As the pandemic rages, the world is entering the deepest global recession since the Great Depression – one that will leave no country untouched. Its socio-economic impact is being felt with greater intensity in the world's least developed, developing and emerging market economies, irrespective of their income levels. Most will see their GDP plummet, while the loss of jobs and income drives up poverty, food insecurity and malnutrition.

These trends do not bode well for Pakistan. The world's sixth most populous nation is among the 'medium' human development countries on the 2019 *Human Development Index* (HDI), where it ranks 152nd of 189 states. Gender disparities are pronounced and women's labour force participation is low (21% in 2019).¹⁰ Nationwide, 72% of non-agricultural jobs are in the informal economy, employing 22 million people, most of whom are women. Most of Pakistan's domestic workers (an estimated 8.5 million) are also women.¹¹

Real gross domestic product (GDP) growth decelerated from 5.8% in FY2018 to 3.3% in FY2019 following efforts to address fiscal and external imbalances, with US\$6 billion in support from the International

⁵ World Health Organization (2020) *WHO Coronavirus Disease (COVID-19) Dashboard*, <https://covid19.who.int>

⁶ John Hopkins Coronavirus Resource Center (2020) *COVID-19 Dashboard*, 14 May 2020, <https://coronavirus.jhu.edu/map.html>

⁷ Government of Pakistan (2020) *Pakistan Case Details*, <http://covid.gov.pk/stats/pakistan>

⁸ Ministry of Finance (2019) *Pakistan Economic Survey 2018–19*, Islamabad: Government of Pakistan.

⁹ Hussain, Shabbir (2019) 'Pakistan facing acute shortage of doctors', *The Express Tribune*, 19 May 2019, <https://tribune.com.pk/story/1975950/1-pakistan-facing-acute-shortage-doctors/>

¹⁰ International Labour Organization (2020) *Female Labour Migration from Pakistan: A Situation Analysis*, Geneva: ILO, https://www.ilo.org/wcmsp5/groups/public/--ed_protect/--protrav/--migrant/documents/publication/wcms_735795.pdf

¹¹ Majid, Hadia and Ammar A. Malik (2017) *Claiming rights for women in Pakistan's informal economy*, Oxford: Oxfam, <https://views-voices.oxfam.org.uk/2017/06/rights-women-pakistans-informal-economy>

Monetary Fund's (IMF) *Extended Fund Facility*. Before the pandemic, the economy was expected to pick up moderately on the back of structural reforms. To recover from COVID-19's impact and continue its trajectory towards upper middle-income status, Pakistan needs to double its private investment rate and investments in human capital. It will need to raise more revenue, simplify the business regulatory regime, integrate with global value chains, and sustainably manage natural resources.

COVID-19 COUNTRY CONTEXT

The COVID-19 pandemic is expected to push back Pakistan's hard-won gains on poverty reduction. Rates have fallen by 40% in the last 15 years – from 64.3% in 2001 to 24.3% in 2015¹² – lifting more than 23 million people out of poverty. However, these rates are marked by disparities between rural (30.7%) and urban areas (12.5%), with urban poverty falling faster. Factors underlying progress range from poverty reduction efforts and social safety net transfers, to remittances and a large, resilient informal economy.

The pandemic will make poverty reduction more challenging as:

- (i) a global decline in economic activity and oil prices reduces remittances and slows domestic consumption, growth and demand;
- (ii) demand falls for Pakistani goods among its main trading partners – the United States, the United Kingdom and Europe – whose economies are hard hit by the pandemic;
- (iii) measures to contain COVID-19's spread halt construction, manufacturing, hospitality and trading activities, affecting both the formal and informal sectors;
- (iv) the lockdown and lower demand hurt Pakistan's informal sector, where most poor workers are concentrated, causing millions to fall back into poverty; and
- (v) Pakistan's poorest households lack the opportunities and capacities to absorb shocks or adopt mitigation strategies to protect themselves from contagion. This is due to overcrowding, limited access to water and sanitation, and a lack of finances for preventative health measures, among others.

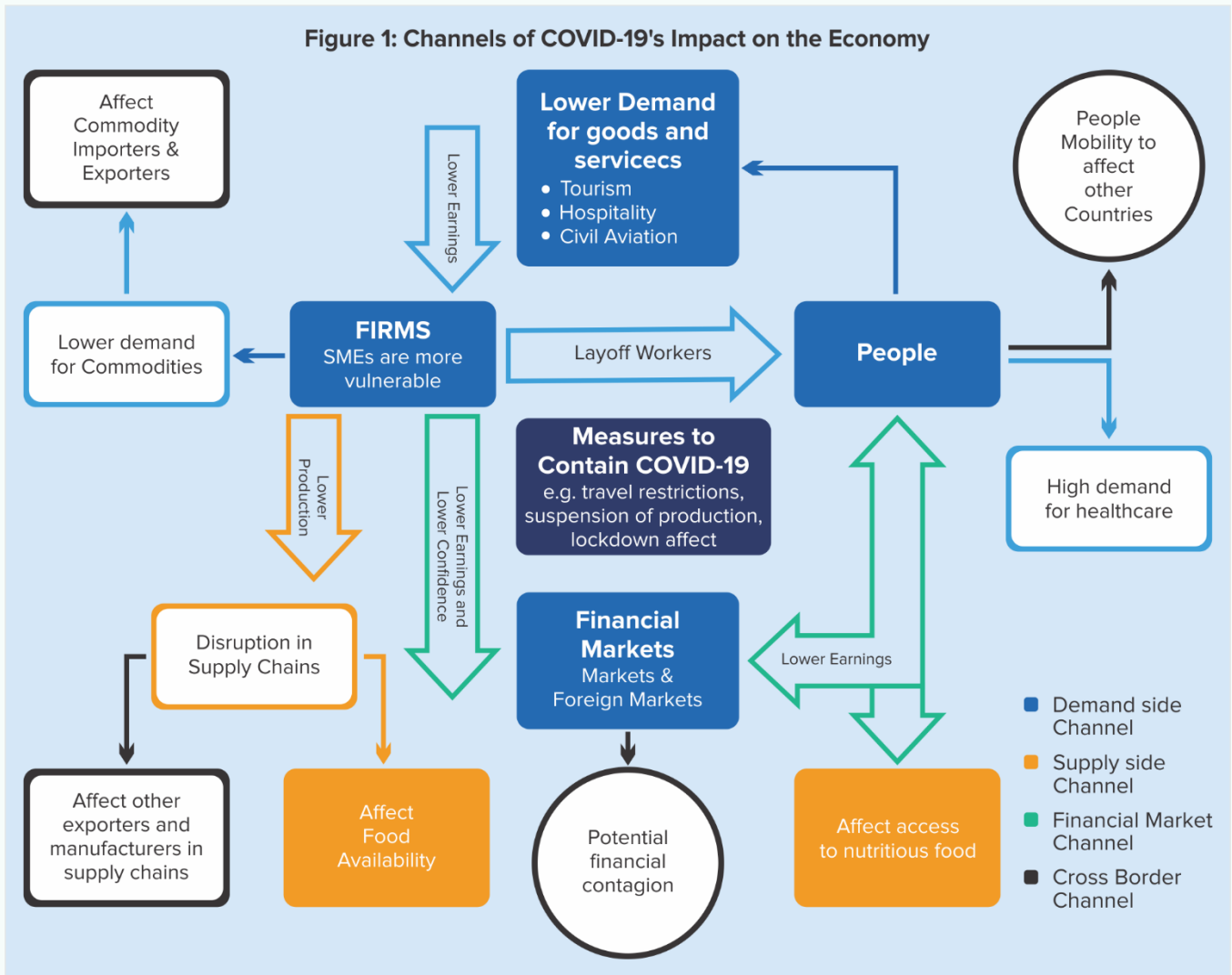
Projections indicate that the pandemic will cause Pakistan's GDP to contract by 1.5%¹³, primarily through a slowdown in the service and manufacturing sectors. This will damage the Government's fiscal position and depress private investment, both foreign and domestic. The critical agricultural sector will suffer if a prolonged lockdown disrupts transportation, logistical support, labour for harvests and transport, and access to inputs for next planting season. As Pakistan is emerging from a macroeconomic crisis, the Government has few fiscal buffers with which to actively respond to the pandemic.

Initial measures to contain COVID-19's spread – quarantine, travel restrictions and lockdowns – are lowering aggregate demand, with an impact on the service sector, including tourism, retail, hospitality and civil aviation. International demand for commodities has also fallen, especially for oil, contributing to further financial uncertainty and instability. Depressed domestic consumption, falling remittances, and reduced global demand is leading the private sector to delay or cancel investment plans (see Figure 1).

¹² World Bank (2018) *From Poverty to Equity: Pakistan at 100*, Washington, DC: World Bank.

¹³ IMF (2020) <https://www.imf.org/en/Publications/WEO/Issues/2020/04/14/weo-april-2020>.

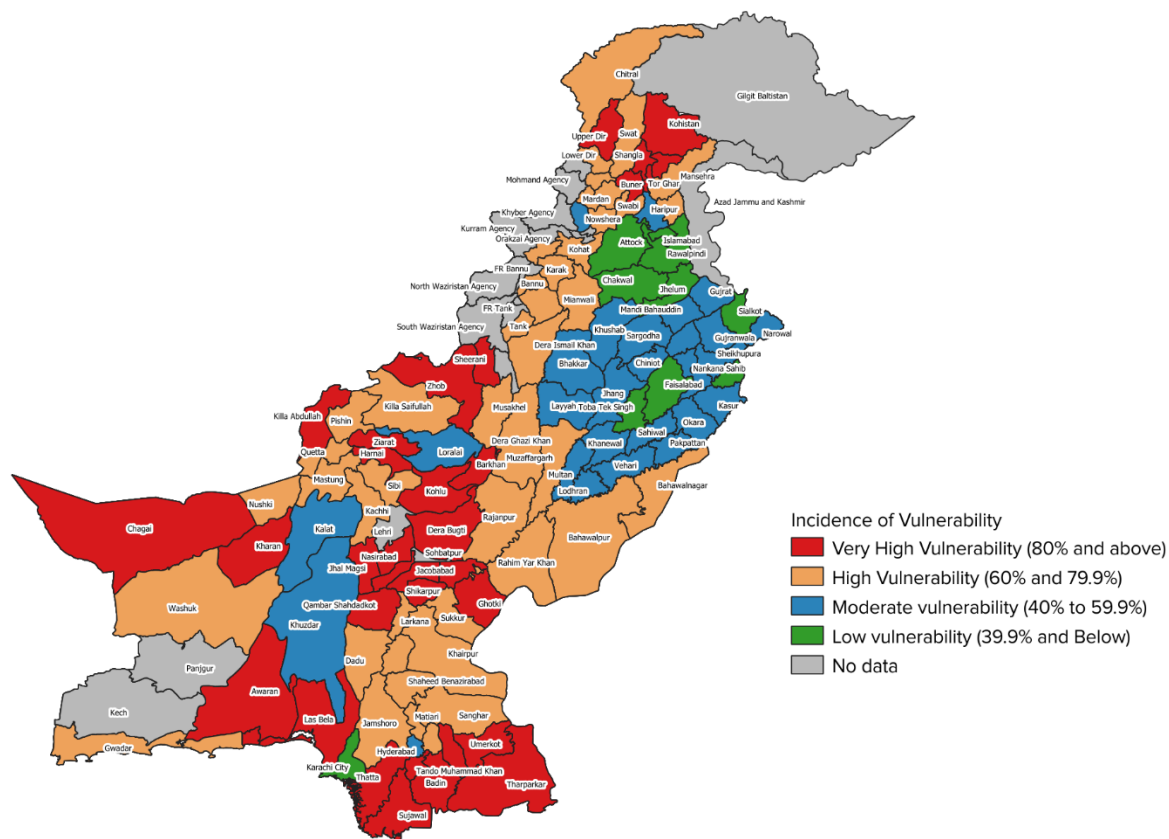
Figure 1: Channels of COVID-19's Impact on the Economy



COVID-19 VULNERABILITY ASSESSMENT

The COVID-19 Multidimensional Vulnerability Index (CRMVI) provides a snapshot of geographical and sectoral vulnerabilities in Pakistan (see Map 1).

Map 1: COVID Response Multidimensional Vulnerability Index (CRMVI) at District



Source: UNDP calculations based on PSLM 2014/15 data

GEOGRAPHICAL ANALYSIS

- **National level:** 126.6 million people in Pakistan are vulnerable to COVID-19, including in Islamabad Capital Territory and Khyber Pakhtunkhwa's Merged Districts. The good news is that this is a worst case scenario. If the outbreak is curtailed, their number will fall substantially. Even so, one-quarter of households (49 million people) are moderately or severely food insecure.¹⁴ Their number will rise with the additional shock of COVID-19.
- **Rural/urban levels:** Rural areas have higher Multidimensional Poverty Index (MPI) and CRMVI values, a greater number of food insecure districts, and a higher share of the multi-dimensionally vulnerable population. This is true at the national and provincial levels. Urban areas, despite their lower MPI and CRMVI values, face a huge increase in CRMVI, linked to higher risks of contagion, the loss of employment and, therefore, of income. Limited access to health and other services affect both rural and urban areas.

¹⁴ Based on FIES.

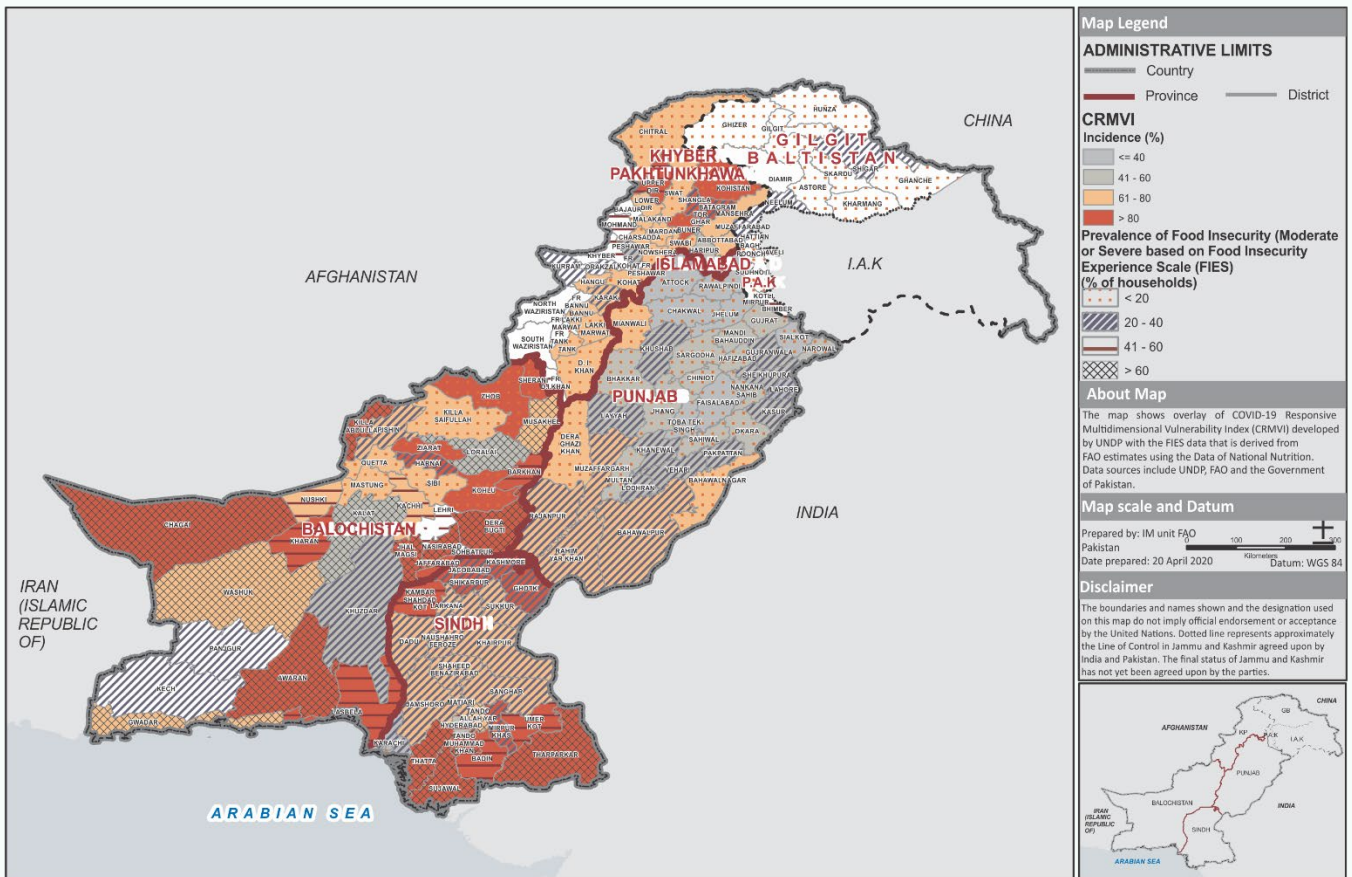
- **Provincial level:** Punjab and Sindh may experience the highest increase in their multi-dimensionally vulnerable populations. Given their high population density in both rural and urban areas, the indicators that contribute the most to their CRMVI include overcrowding and a higher dependency ratio. Other indicators that affect CRMVI include a lack of human capital (lower years of schooling), fewer people earning more than the minimum wage, and deprivation in livestock ownership as an alternate means of earning a livelihood. This is coupled with a high incidence of food insecurity in many districts. Balochistan and Khyber Pakhtunkhwa may experience a more moderate increase in their vulnerable populations. However, these provinces already have higher rates of multidimensional poverty and food insecurity, and have large refugee communities.
- **District level:** The CRVMI identifies 34 districts as ‘Very High Vulnerability’ and 43 as ‘High Vulnerability’ with around 67.8 million people living in these districts. The greatest increase in vulnerable populations (15.5 million) is in seven districts: Islamabad, Karachi, Lahore, Rawalpindi, Jhelum, Attock and Gujranwala. According to Food Insecurity Experience Scale (FIES) estimates, 17 districts in Pakistan are areas with ‘Very High Food Insecurity’, and 16 with ‘High Food Insecurity’. Districts have ‘very high’ food insecurity where the percentage of moderately or severely food insecure households is greater than 60%, and ‘high’ food insecurity where this percentage is 40–60%.

SECTORAL AND INDICATOR ANALYSIS

The CRMVI analysis was compared with other indicators through a multi-criteria analysis – including food insecurity, wasting and the occurrence of natural shocks – to determine vulnerability related to these indicators.

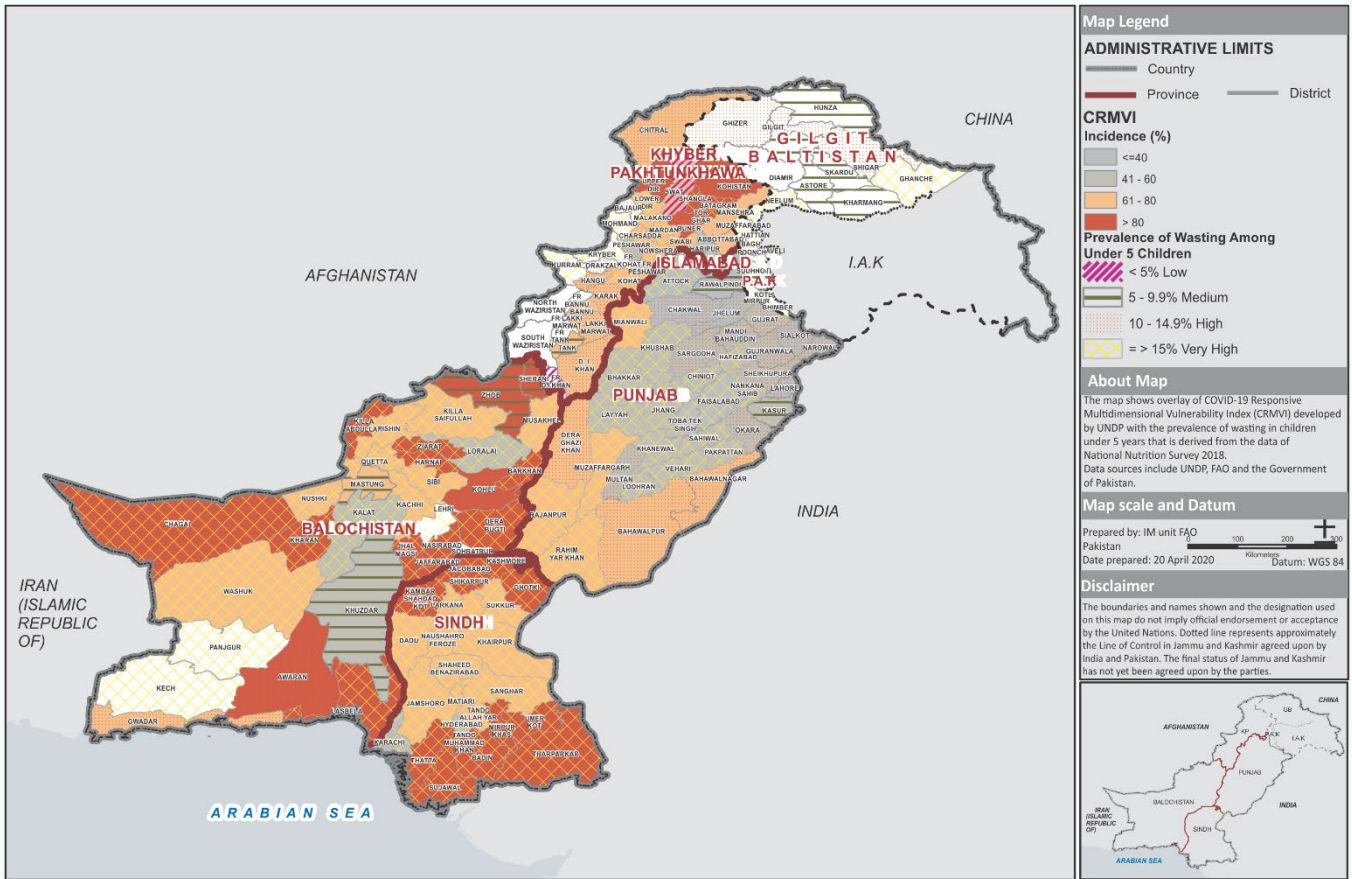
Food insecurity and CRMVI: In most districts, there is a direct relationship between food insecurity and CRMVI. This implies that districts with a low CRMVI value also have a lower percentage of food insecure households, whereas in districts with a higher CRMVI value, a greater proportion of households are food insecure. However, some districts in Balochistan, Punjab and Khyber Pakhtunkhwa have high CRMVI values but low levels of food insecurity.

Map 1. CRMVI and the prevalence of food insecurity



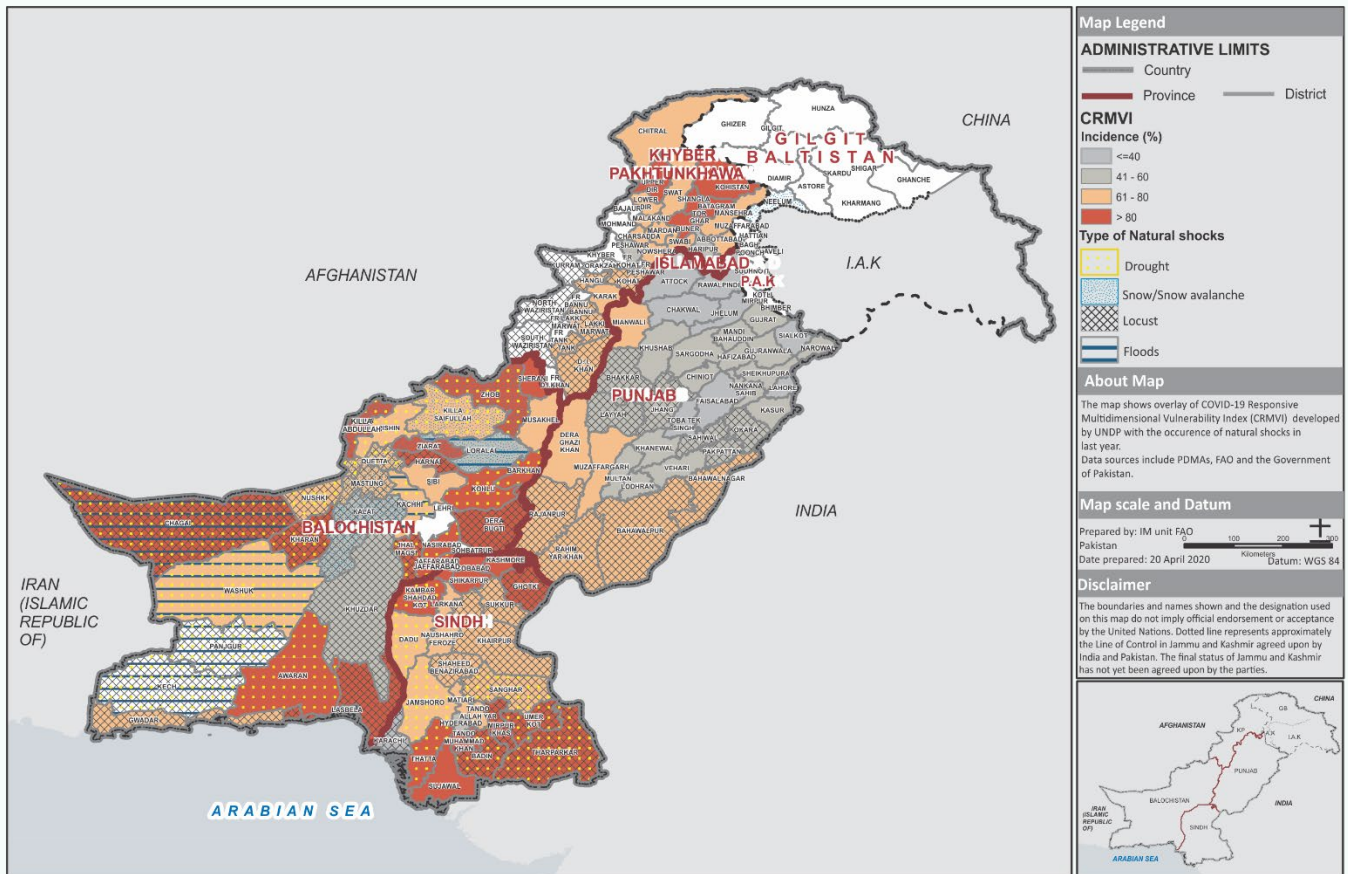
Wasting and CRMVI: Most districts with a higher CRMVI also have a higher prevalence of wasting among children under-five. However, the prevalence of wasting is also higher in several districts with a low to medium CRMVI, as in northern Punjab. This is an important trend to consider when designing interventions that target communities.

Map 2. CRMVI and the prevalence of wasting in children under-five



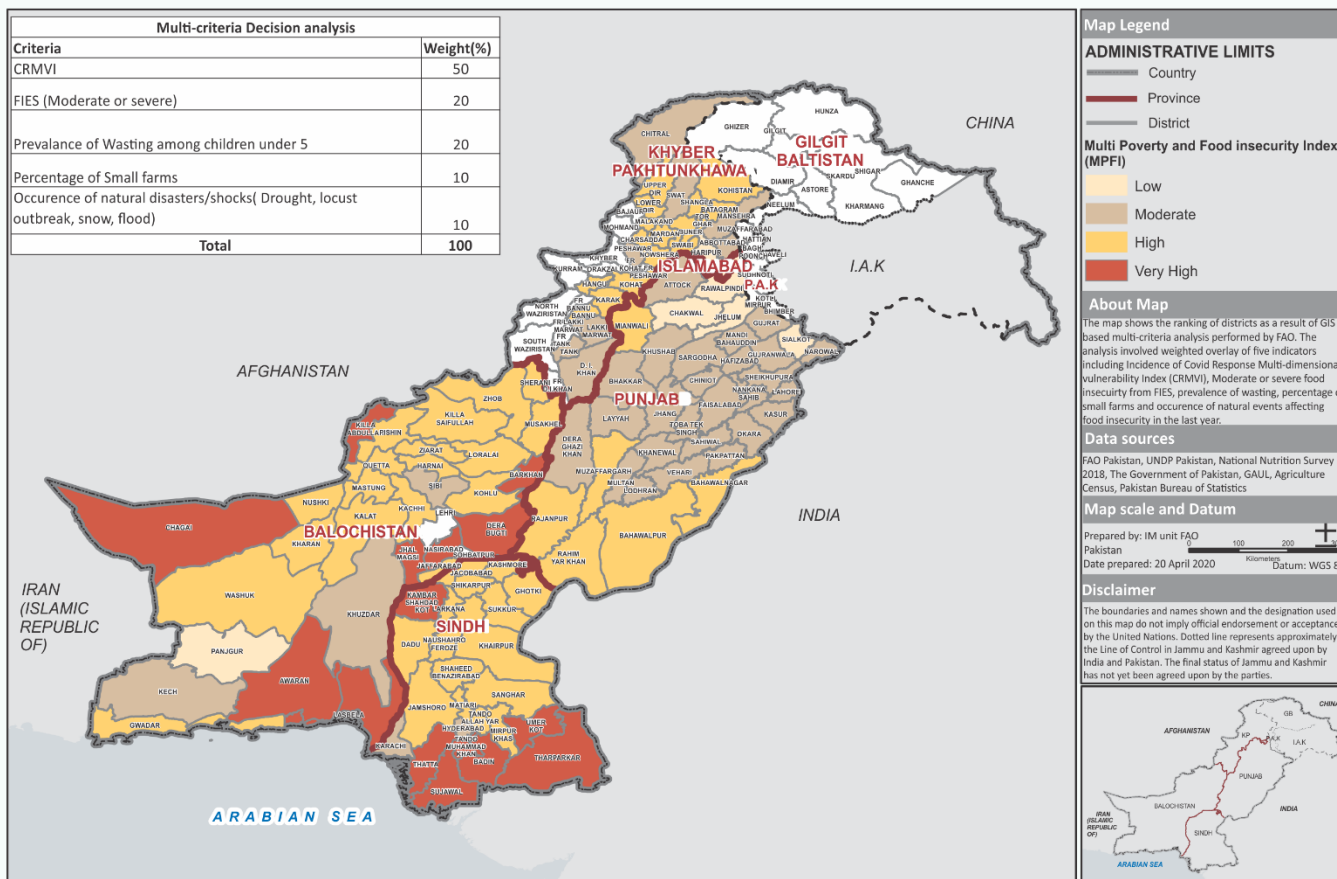
Natural shocks and CRMVI: Except for districts in northern Punjab, most districts with a higher CRMVI have experienced one or more recent natural shocks. This means that poverty and food insecurity levels in districts already classified as vulnerable by the CRMVI may worsen due to COVID-19, as recent natural shocks have reduced communities' resilience. This in turn, will cause a further deterioration in nutrition indicators.

Map 3. CRMVI and natural shocks



In addition to the CRMVI's analysis of vulnerability through overlaid maps, multi-criteria analysis sought to precisely map vulnerabilities considering food insecurity indicators. Additional indicators include: food insecurity based on the Food Insecurity Experience Scale, the prevalence of wasting in children under-five, the percentage of small farms, and the occurrence of natural shocks/emergencies in the previous year – such as locust outbreaks, drought, floods, and snow/avalanches. The map below illustrates the vulnerabilities identified by considering both the CRMVI and food insecurity indicators.

Map 4. Multi-criteria decision analysis for vulnerable, poor and food insecure districts



GOVERNMENT RESPONSE

To contain the spread of COVID-19, the Government of Pakistan and provincial governments have taken necessary measures to save lives – encouraging social distancing, limiting public activity, and enforcing a mandatory lockdown. Since 13 March 2020, all grounding domestic and international flights have been grounded, points of entry closed on land, and quarantine camps set up to monitor travellers returning from Iran. Additional isolation facilities are being established in the provinces. All education centres are closed, government communications are being transmitted, measures are underway to create fiscal space and the State Bank of Pakistan has waived all charges on online fund transfers.

The importance of these measures cannot be understated. They have suppressed the transmission of the virus and prevented an untold number of deaths. Now, it is the time for complementary measures that mitigate COVID-19’s societal and economic impact. The lockdown will affect businesses and household incomes, hitting informal workers and daily wage labourers particularly hard. Incentives to adhere to containment measures, and financial support to ensure access to health care are needed, particularly for poor and vulnerable households. Extreme restrictions on movement in areas seriously affected by COVID-19 must be paired with measures to guarantee the continued production of, and access to, food supplies. To prevent school closures from reversing gains in learning, it is vital to cater for vulnerable groups who lack connectivity. It is also critical to address the plight of women and girls as they take on more domestic and childcare responsibilities in light of school closures, and face greater risks of gender-based violence as stress, the loss of income and frustration reach boiling point under lockdown.

To guide its response, the Government has notified a *National Action Plan* (NAP) for COVID-19. It aims to: (i) contain and respond to the outbreak in a timely, efficient manner; (ii) prioritize financial resources, and increase domestic and international investments for emergency preparedness; and (iii) implement

emergency preparedness actions by strengthening inter-sectoral collaboration with government institutions, the private sector and civil society at the provincial level. The plan covers planning and coordination mechanisms, laboratory support, food security, logistics, communication, infection prevention, control at points of entry and health facilities, training for health workers, human resource management, quarantine preparedness, isolation hospitals, surveillance, reducing community exposure, and monitoring and evaluation (M&E). A National Emergency Coordination Committee, and Command and Control Centre, have been set up to monitor the response, with provincial representation and the participation of a range of stakeholders. They include the Ministries of Health, Finance, the Interior, Planning & Development and Foreign Affairs, the Pakistan Army, the National Disaster Management Authority, and the National Institute of Health. On 13 March, 2020, the Prime Minister chaired a meeting of the National Security Council on the implementation of the national response, and addressed the nation on 17 March. A COVID-19 Secretariat has been set up at the Planning Commission to support a coordinated socio-economic response to the pandemic.

To mitigate the immediate socio-economic impact of COVID-19, the Federal Government announced a fiscal stimulus package of PKR 1.2 trillion. Fiscal measures announced by provincial governments include: (i) expanding the outreach of *Ehsaas* cash grants from 5.2 million to 12 million households, and distributing PKR 144 billion (PKR 12,000 per household); (ii) providing a cash grant of PKR 158 billion to 3 million daily wage labourers in the formal sector (PKR 175,000 per worker, per month, for three months); (iii) allocating PKR 50 billion to provide Pakistan's poorest people with food items from Utility Stores at subsidized rates; (iv) reducing the price of all petroleum products; (v) allowing electricity and gas bills to be paid in instalments over three months; (vi) strengthening the capacity of public hospitals; (vii) offering tax refunds for exporters; and (viii) enhancing targets for wheat procurement to inject a cash stimulus into the rural economy. Provincial governments also announced small financial packages for the poorest of the poor.

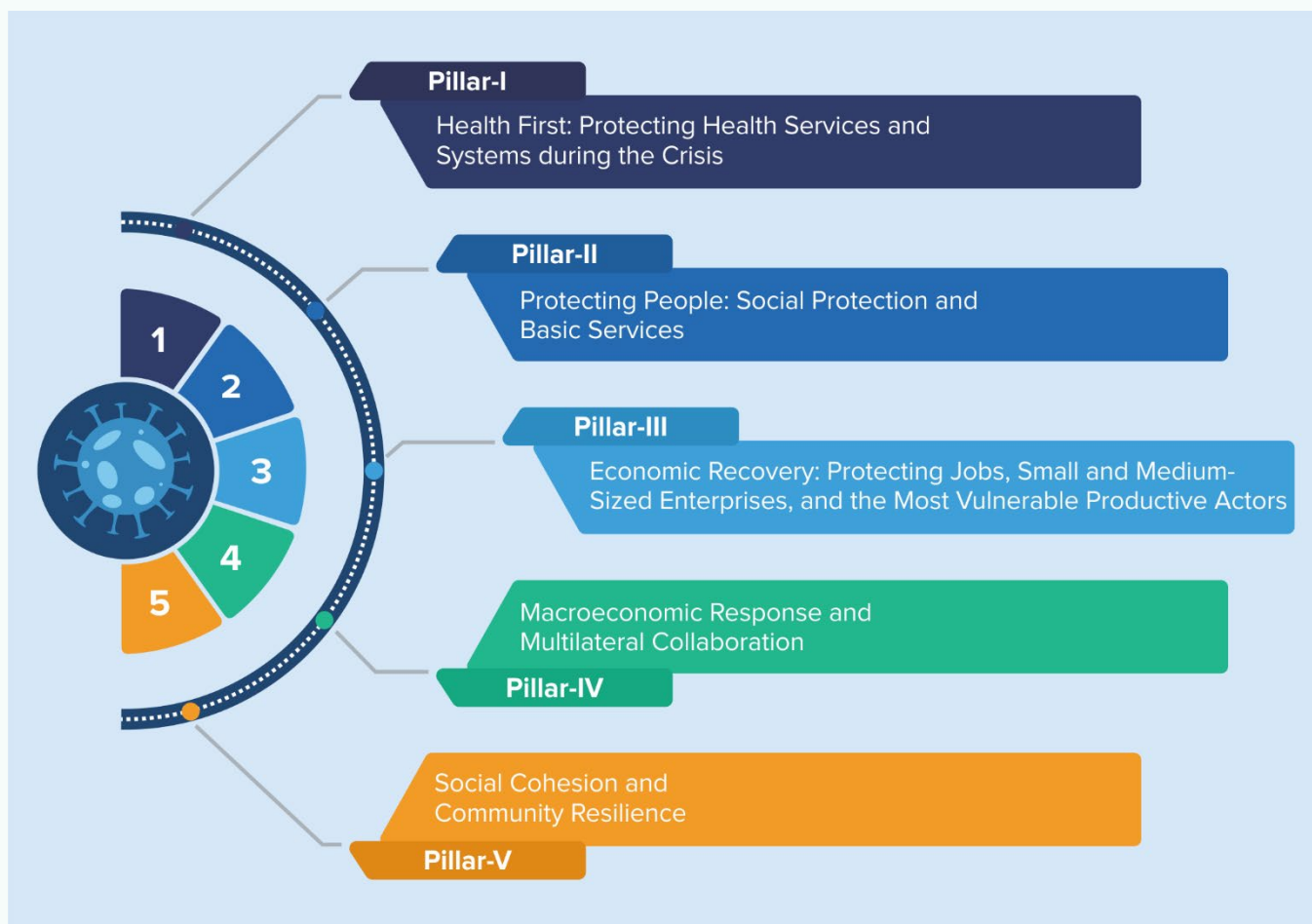
Through the State Bank, the Government has adopted measures to safeguard financial stability. These have cut the policy rate to 11%, sought to expand refinancing schemes, announced new facilities to support employment, manufacturing, hospitals and medical centres, and relaxed the conditions of export refinancing and long-term financing schemes. The Government's temporary regulatory measures to sustain the banking system and economic activity include: (i) reducing the capital conservation buffer by 100 basis points to 1.5%; (ii) increasing the regulatory limit on the extension of credit to SMEs by 44% to PKR 180 million; (iii) relaxing the debt burden ratio for consumer loans from 50% to 60%; (iv) allowing banks to defer clients' principal payments on loans by one year; and (v) relaxing regulatory criteria for restructured/rescheduled loans for borrowers who require relief beyond the one-year extension of principal repayments. The Government has also mobilized extra funding through the IMF (US\$1.4 billion) and the World Bank (US\$200 million).

SOCIO-ECONOMIC IMPACT ASSESSMENT

International financial institutions (IFIs) have estimated the macroeconomic impact of the COVID-19 pandemic on global and national economies. This rapid assessment of COVID-19's socio-economic implications in Pakistan is timely. It will help the Government make evidence-based decisions to address the challenges that Pakistan's most vulnerable sectors and people face. In this way, Pakistan can re-strategize its focus and interventions on the SDGs and 'recover better'. As the situation is evolving rapidly, this report's analysis and recommendations are preliminary.

FRAMEWORK

The *COVID-19: Pakistan Socio-Economic Framework* is guided by the global *UN Framework for the Immediate Socio-economic Response to COVID-19*. It is based on five pillars, anchored in the core objectives of saving lives and protecting rights, with a particular focus on the most vulnerable groups at risk of being left behind.



Implementing this framework requires contextualizing and adapting to the situation that COVID-19 has created. We must do this by:

1. **Switching to ‘emergency mode’** to ensure an adequate, effective *rescue* (saving lives) and *relief* (economic packages) through Pakistan’s *COVID-19 National Action Plan* and the *Annual Development Plan* for FY2020-21 (Pillars 1 and 2). It also means:
 - a) maintaining essential life-saving health services and working on health systems’ recovery, preparedness and strengthening, with a focus on primary health care; and
 - b) scaling up resilient, pro-poor social protection systems, including the provision of essential food, nutrition, water, sanitation, education and protection services, with a focus on infants, children, women and other vulnerable groups.
2. **Developing a resilient economy** by protecting jobs, micro, small and medium-sized enterprises (MSMEs), and the most vulnerable productive actors through public sector development, policy and regulatory measures (Pillar 3). It also means:
 - a) repurposing public sector investment in labour-intensive development schemes (cash for work) for immediate, short-term job creation high priority sectors, such as agriculture and rural infrastructure development; and
 - b) introducing incentives for vulnerable productive sectors and MSMEs through policy and regulatory measures, paired with financial packages (subsidies, interest-free loans, tariffs rebates, etc.) to protect and sustain private sector jobs, enterprises, domestic production and exports.
3. **Managing a fiscal and financial surge** through efficient financial and resource planning, management and mobilization to respond to COVID-19 and achieve development priorities (Pillar 4). It also means:
 - a) estimating the potential impact of COVID-19 and its financial implications, identifying macroeconomic policy options and other temporary targeted administrative measures to create fiscal space for financing Pakistan’s response, and identifying COVID-19 response priorities for budgetary allocations;
 - b) introducing measures to promote global partnerships, private sector engagement and development cooperation. This is vital to mobilize and leverage financial, technical and advisory support for implementing public sector development plans, particularly the Government’s response to COVID-19; and
 - c) promoting efficient saving measures, including austerity measures, negotiation for the rescheduling of debts, the deferment of debt servicing, etc.
4. **Instilling the principles of social cohesion and community resilience** in public sector development planning and the COVID-19 response by establishing systems and processes by which people and communities can participate in, and benefit from, public sector development programmes. Specifically, this means:
 - a) introducing well-tailored avenues for social dialogue and political engagement, grounded in fundamental human rights – such as peaceful assembly, freedom of association, collective bargaining, freedom of expression, access to information, gender equality, women’s empowerment and non-discrimination, among others.

The *COVID-19: Pakistan Socio-economic Framework* recommends:

- **Short-term measures** to minimize, manage and mitigate the most urgent impacts of COVID-19 on people’s lives and livelihoods, including access to services and rights.
- **Medium- to long-term measures** to ensure a structural response to COVID’s impacts – grounded on sustainable development, ‘recovering better’ and leaving no one behind. These include policy,

regulatory and institutional measures coupled with social, economic and environmental transformation.

TARGETING: THE PEOPLE WE MUST REACH

The most vulnerable at-risk groups in Pakistan should be the focus of the Government's COVID-19 response and development plans. They include:

Children, who are highly vulnerable and at-risk because of:

- the interruption of education/learning opportunities (short, medium and long-term);
- food shortages and food insecurity, resulting in malnutrition;
- violence and exploitation, including domestic violence, abuse, neglect, child marriage and child labour.

Women, who are vulnerable and at-risk because of:

- the interruption of reproductive, maternal and other health care (short, medium and long-term);
- a loss of direct economic and income generation opportunities (especially for home-based workers, paid workers, agricultural workers, etc.);
- food shortages and food insecurity that cause malnutrition and increase household management pressure;
- gender-based and domestic violence, abuse, early marriage and forced labour; and
- an increased demand for unpaid care work due to the lockdown, social distancing, school closures, limited services and work-from-home arrangements.

The elderly and persons with disabilities, who are vulnerable and at-risk because of:

- the interruption of essential and life-saving health services;
- poor access to basic health care and other social services;
- a lack of access to social protection, including community support systems;
- food shortages and food insecurity which increase malnutrition and household management pressure; and
- the specific, varied preventive needs of persons with disabilities (e.g. wheelchair users and people with visual impairments must touch their surroundings to move, putting them at risk of exposure to the virus).

Women with disabilities, and women who care for dependents – especially mothers, and the mothers of children with disabilities – are especially at risk.

The poorest of the poor, who are vulnerable and at-risk because of:

- limited skills, a lack of savings and dependence on daily wages;
- reduced economic activities – especially in the transportation, agriculture, trade and retail – and limited income generation opportunities;
- their concentration in the informal sector and lack of access to social protection;

- food shortages and food insecurity, resulting in malnutrition; and
- the lack of a legal identity – including Computerized National Identity Cards (CNIC) – nationality and/or registration, especially for refugees and migrants.

These vulnerable populations need to be protected by the COVID-19 response. Public sector development planning should prioritize them in interventions to strengthen education, health, agriculture, industry and trade, among other sectors.

PILLAR 1. HEALTH FIRST: PROTECTING HEALTH SERVICES AND SYSTEMS DURING THE CRISES

Pakistan's health system is being overwhelmed by COVID-19. Yet, even as the pandemic rages, essential health services must continue. This will mean difficult decisions to balance COVID-19 response, maintain life-saving services, and mitigate the risk of system collapse.

The health system encompasses public and private health care. The private sector provides services through major hospitals, individual specialists and general practitioners, NGOs and philanthropic organizations, and *hakeems* (homeopaths and traditional healers). Since the 18th Amendment in 2020, responsibility for the public health sector lies with provincial governments, with some support and guidance from the federal level. In parallel, the Ministry of Defence runs military and Cantonment Board hospitals. Both public and private health care include promotive, preventive, curative and rehabilitative

Health statistics: Pakistan has a high burden of communicable (40%) and non-communicable diseases (NCD) (49%). Intentional and unintentional injuries, including road traffic accidents, account for 6% of deaths (14.2 per 100,000). Institutional and community resilience is weak, compounded by low per capita spending on health (US\$45), 70% of which comprises out-of-pocket payments. The health workforce is insufficient, with just 1.45 essential health workers (physicians, nurses, Lady Health Workers and community midwives) for every 1,000 people¹⁵ – well below the threshold of 4.45 workers per 1,000 people defined by WHO.¹⁶ There is just one hospital bed for every 1,608 people.

Over half of Pakistan's population use private health services. The limited availability of emergency obstetric and neonatal care is reflected in a high lifetime risk of maternal death (1 in 180), the third highest rate in Asia and the Pacific, leading to 8,300 deaths each year.¹⁷ Pakistan's maternal mortality ratio (MMR) is high (178 deaths per 100,000 live births) and varies significantly between provinces.¹⁸

The country has a birth cohort of 6 million children each year, of whom only 66% (3.4 million children) are fully immunized. Socio-economic disparities are clear in immunization – 49% of children in the poorest wealth quintile receive Penta 3/DTP-3 vaccine, compared to 91% in the richest. Each year, 400,000 children do not receive any vaccines (known as 'zero dose' children). Polio remains endemic, with a surge in cases in 2019. These trends may lead to a future outbreak of vaccine-preventable diseases, such as measles, typhoid and polio. Between January and March 2020, the country reported 4,500 suspected cases of measles and 146 confirmed cases of polio. Pakistan's under-five mortality rate is also high (74 deaths per 1,000 live births), as is infant mortality (62 per 1,000 live births). Over half of these deaths are in newborns (42 per 1,000 live births). The most common causes of neonatal mortality are pneumonia (19%), diarrhoea (11%) and malnutrition. Stunting, wasting, and micronutrient deficiencies kill 3.1 million children annually (see Pillar 2 for more on nutrition). Life expectancy at birth is just 66.95 years, on average.

¹⁵ World Health Organization (2017) *World Health Statistics Monitoring Health for SDG 3*, Geneva: WHO.

¹⁶ World Health Organization (2016) *Health Workforce Requirements for Universal Health Coverage and the Sustainable Development Goals*, Geneva: WHO, <https://apps.who.int/iris/bitstream/handle/10665/250330/9789241511407-eng.pdf>

¹⁷ World Health Organization (2017).

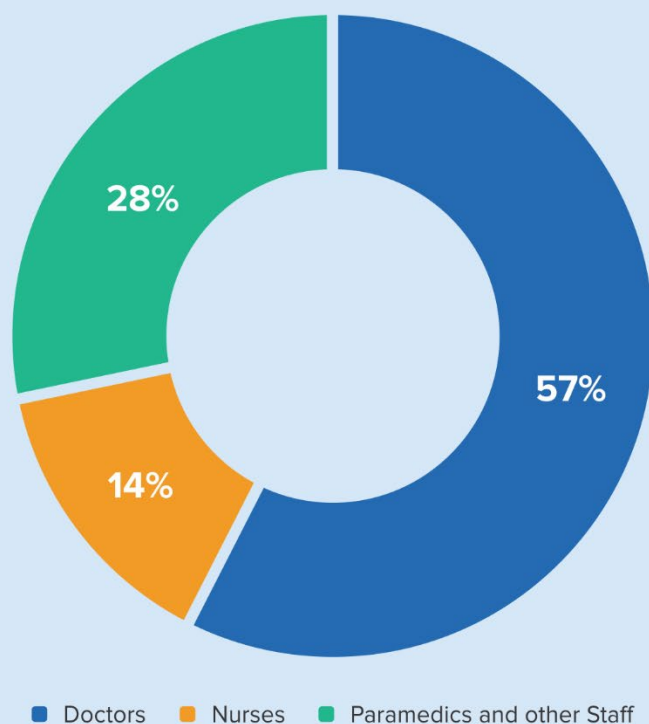
¹⁸ United Nations Children's Fund (2016) *Maternal and Newborn Health Disparities: Pakistan*. Islamabad: UNICEF, https://data.unicef.org/wp-content/uploads/country_profiles/Pakistan/country%20profile_PAK.pdf

IMPACT ON ESSENTIAL HEALTH CARE SERVICES

At the health system level, out-patient departments (OPD) are closed, and the focus is only on emergency or COVID-19 cases. Supply chain disruptions may cause shortages of essential medication. Pakistan's already limited health workforce is under extreme strain, especially as many workers are reallocated to address the pandemic, limiting their capacity to provide non-emergency care. Social distancing and lockdown measures have weakened the role of community health workers. Diverting resources to the COVID-19 response means less funding for immunization and basic health care – including elective, maternal and child health services – reducing access for patients who rely on free or subsidized care. This makes it critical to engage primary health care providers, including community health workers, to identify and provide vulnerable groups with essential information and supplies.

Health workers (public and private sector doctors, nurses, paramedics, pharmaceutical experts and lab technicians) are at the forefront of the COVID-19 response. This puts them at high risk of contracting the disease. As of 9 May 2020, there were 776 confirmed cases of COVID-19 infection among Pakistan's health workers.¹⁹

Figure 2. Confirmed COVID-19 cases among health care providers in Pakistan (9 May 2020)



A triage system and fever clinics will be set up in primary health care (PHC) facilities. Quarantine facilities have been created in communities, where suspected patients are kept until they are tested for COVID-19. Strict infection prevention and control measures are needed in quarantine centres, which may otherwise be a source of spreading the virus. Isolation facilities for pre- and mildly symptomatic patients should be

¹⁹ National COVID Update – NEOC, 21 April 2020 data.

set up and run by PHC workers. Secondary care on rota, with timely referral to tertiary care, needs to be arranged.

Tertiary care centres act as referral facilities, receiving patients from secondary care hospitals at the district level. In practice, however, people use tertiary care as a first point of contact for essential health services. All of these hospitals are busy attending to COVID-19 patients, putting elective services on hold. Officially, private hospitals and clinics are also closed. However, the Supreme Court of Pakistan has ruled that elective services should be reopened nationwide. There are reports that some private hospitals and clinics – which provide an estimated 70% of all health services – have restarted work. While this will ease access to essential services, strict personal protective measures should be ensured.

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Continue to deliver primary health care through basic health units and rural health centres, including maternal, newborn and child health (MNCH) services; family planning; immunization; emergency curative services; specific mental and oral health services; screening for health conditions in communities; health education and promotion; pharmacy services; limited laboratory, diagnostic and referral services. Ensure that all services are delivered using proper personal protective equipment (PPE) and by establishing and maintaining infection prevention and control (IPC) principles.
- Reinstate essential services in private hospitals and clinics, with strict IPC and personal protective measures.
- Take special measures to ensure the safety of medical and paramedical staff, including: (i) ensure access to PPE for health workers, (ii) develop and enforce personal protective measures in hospital and for health workers, and (iii) ensure the uninterrupted supply change and distribution of PPE.

Medium to long-term measures

- Explore alternatives to out-patient departments, such as telemedicine and helplines for public and private practitioners to attend to non-urgent, diagnosed patients.
- Make credible, up-to-date information available through government channels to prevent anxiety, panic and misinformation in communities.
- Create more resilient health systems so that health infrastructure, human resources, supplies and information are developed and managed as key elements of preparedness.
- Set up an open access database on scientific data, research, educational resources and technological innovations.

IMPACT ON IMMUNIZATION SERVICES

COVID-19 has disrupted Pakistan's immunization services. Services are only being provided at fixed sites, while outreach services are suspended due to the lockdown, the risk of community transmission and the lack of basic PPE for vaccinators. The lockdown and flight restrictions – including in countries that produce vaccines – may cause gaps in vaccine stocks, disrupting immunization further. As COVID-19 depletes health system capacity and resources, millions of children and adolescents will go without basic health care and vaccines. This could aggravate the incidence of vaccine-preventable diseases (measles, typhoid and polio), non-communicable diseases and malnutrition, as noted above.

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Restart government immunization drives as soon as COVID-19 is contained, and ramp up efforts to maintain high immunization coverage and tackle diseases like measles, typhoid and polio, especially among girls. Ensure that vaccinators, midwives and Lady Health Workers provide immunization services following the *National Expanded Programme on Immunization (EPI) Policy* and strict IPC principles, as defined by WHO.
- Launch media campaigns to raise caregivers' awareness of regular, timely vaccination.
- Continue to track children's immunization status and vaccination schedules. Follow up with parents proactively to ensure that children regularly access immunization services.

Medium to long-term measures

- Invest in mobile clinics to deliver immunization and health services where most needed. Consider setting up semi-permanent structures for COVID-19 outreach (refurbished containers, schools and telemedicine, etc.).
- Protect vaccine procurement, inventory and supply chains in anticipation of an increased demand for immunization services after the lockdown.
- Ensure functional disease surveillance, early detection and case reporting systems.

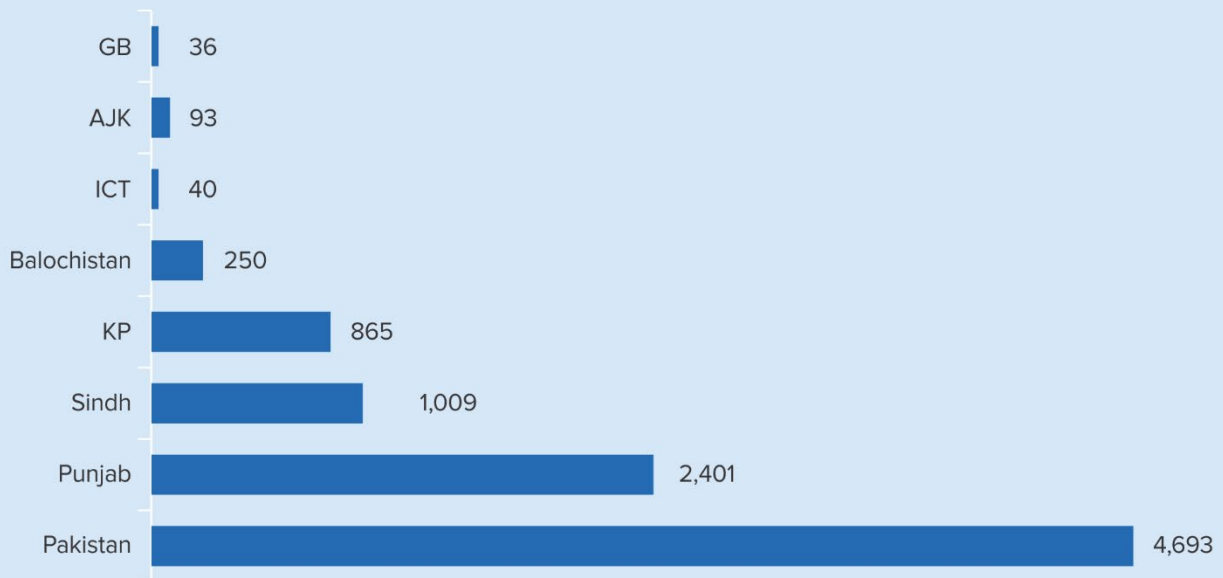
IMPACT ON MATERNAL AND REPRODUCTIVE HEALTH SERVICES

The COVID-19 pandemic is limiting women's access to life-saving reproductive and maternal, neonatal and child health (MNCH) services. It will affect care at multiple levels:

- **The health system** may face shortages of medication (contraceptives, antiretroviral drugs for HIV, and antibiotics to treat infections, etc.) due to supply chains disruptions. An estimated 8 million women will lose regular access to contraceptives in Pakistan (3 million use condoms, 800,000 injectable contraceptives, 672,000 intrauterine devices, and 500,000 oral pills), raising the risk of unwanted pregnancies and unsafe abortions.
- **Health care providers** reallocated to address COVID-19 are increasingly unavailable to provide essential services, including maternal and child health care.
- **Community health workers** are unable to deliver MNCH services during the lockdown, a particular challenge as roughly 44% of deliveries occur at home.
- **Diverting financial resources to the COVID-19 response** may decrease funding for MNCH and decrease access for those who rely on free or subsidized services.

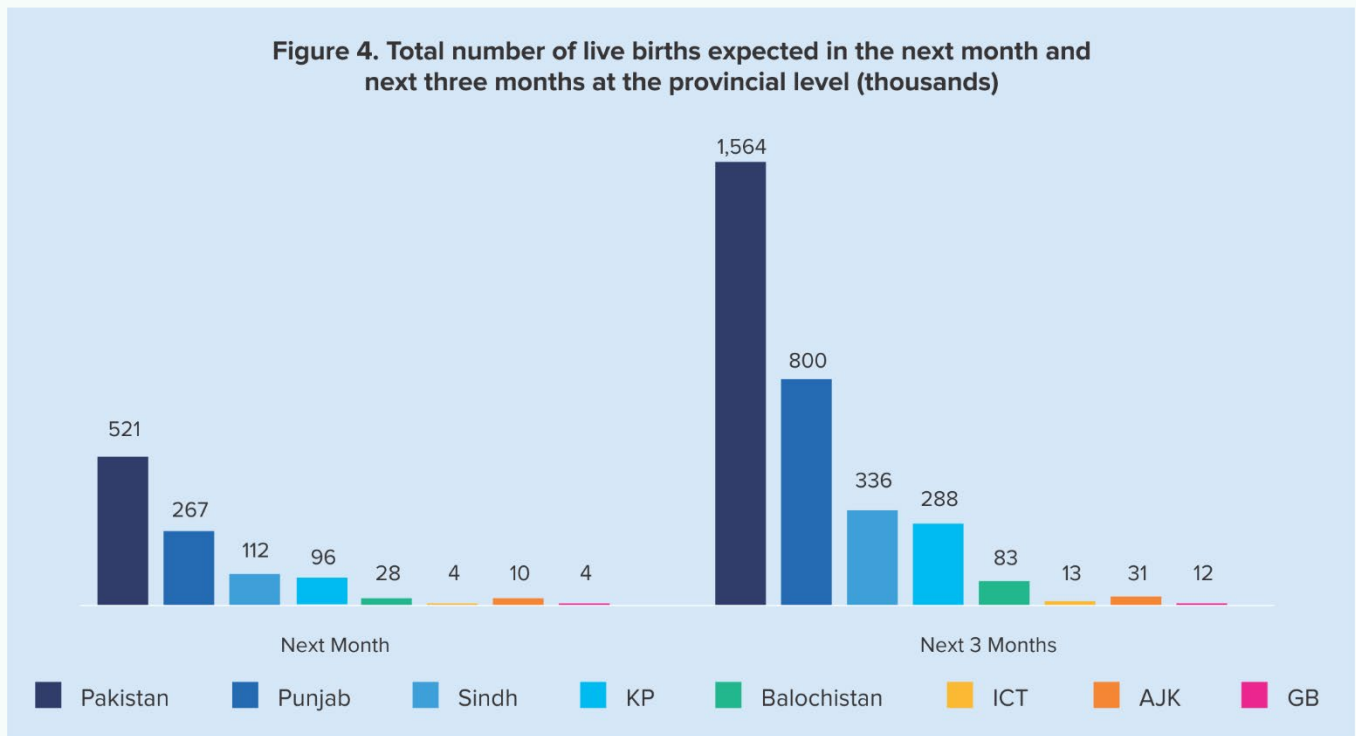
Pressure on the fragile reproductive health system will worsen existing weaknesses in its human, technological and operational capacities. This threatens the 300,000 births in health facilities each month, 15% of which are expected to involve complications due to disruptions in antenatal care. The pandemic may reverse gains in reproductive health and worsen vulnerabilities. Figure 1.4 highlights critical indicators where urgent medical services will be needed by women and infants in the coming months.

Figure 3. Currently pregnant women in Pakistan (thousands)



Source: PDHS 2017-18 and Census 2017. Note: Total pregnancies are the sum of pregnancies in all four provinces, as well as in Islamabad Capital Territory, Azad Jammu and Kashmir, and Gilgit-Baltistan.

Figure 4. Total number of live births expected in the next month and next three months at the provincial level (thousands)



Source: PDHS 2017-18 and UNFPA MISP Framework.

Figure 5. Maternal and newborn health needs in the next three months in Pakistan



Source: PDHS 2017-18, Census 2017, and UNFPA MISP Framework.

RECOMMENDED RESPONSE MEASURES

MNCH services in health facilities and through community health workers must be guaranteed. Without immediate mitigation measures, the public health system will be compromised with direct effects on public health security, leading to outbreaks of vaccine-preventable diseases, and increased morbidity and mortality among women and children.

Short-term measures

- Track and reach vulnerable populations – like newborns, and pregnant and lactating women – with preventive and promotive health services. Identify pregnant women due to give birth in the coming weeks and refer them to a health facility for safe delivery. If necessary, arrange for safe deliveries at home by engaging community midwives.
- Ensure the availability and access to essential sexual and reproductive health (SRH) services, including maternal and newborn health care. In humanitarian contexts, implement the *Minimum Initial Service Package for Reproductive Health in Emergencies*.
- Support uninterrupted supply chains for modern and emergency contraceptives; maternal and newborn medication, supplies and equipment; infection prevention and control supplies; and information and counselling materials.
- Prepare for an expected 62,000 C-section deliveries and 200,000 miscarriages or unsafe abortions²⁰ in the next three months.
- Develop a ‘hub and spoke’ structure between tertiary hospitals and government health service centres at the village, tehsil and district levels.

Medium and long-term measures

²⁰ *Maternal and newborn health needs in the next three months in Pakistan*, PDHS 2017-18, Census 2017, and UNFPA MISP Framework.

- Plan and prepare alternate care approaches to continue MNCH services, such as maternity homes, telemedicine and home-based care if hospitals are overwhelmed.
- Explore public-private partnerships models to rapidly add to capacities to handle patients and for investment in hospitals and diagnostics.
- Support the Ministry of Health to provide online screening, education, reproductive health and contraception counselling services, using mobile phones (e.g. WhatsApp).
- Ensure comprehensive, accessible modern contraceptive services and information at public health facilities and through digital technologies.
- Train Lady Health Workers, Lady Health Visitors and frontline workers to use personal protection equipment when providing maternal and reproductive health services.

PILLAR 2. PROTECTING PEOPLE: SOCIAL PROTECTION AND BASIC SERVICES

COVID-19 will upend lives and livelihoods across Pakistan, particularly among vulnerable groups, such as poor households, women and children.²¹ Their access to services is more limited, as is their capacity to absorb shocks – including layoffs, fewer job opportunities, business closures, food insecurity, and reduced health and nutrition services. For example, while men and women are just as likely to contract COVID-19, the pandemic will affect them differently. It is likely to worsen gender inequalities, exposing women and girls to greater risk of violence, the loss of livelihoods, a lack of economic and education opportunities, and a growing burden of care. Effects will also vary across rural and urban areas and take a heavy toll on food systems, nutrition services, water, sanitation and hygiene (WASH), learning and education, gender-based violence and child protection. Growing rural poverty may cause a national food security crisis that will be most severe for vulnerable groups.

Urban/rural statistics: Of Pakistan’s population of 207.8 million²², 75.6 million live in urban areas. Around 45.5% (34 million) of urban dwellers live in informal settlements, with poor access to health, education, water and sanitation facilities. Access to services, social protection and decent work is also more limited for people in rural areas (63% of Pakistan’s population), where poverty rates reach 80%.

Social protection: Public sector spending on services is low (e.g. 0.97% of GDP is spent on health and 2.4% on education), considerably below the levels needed.²³ An estimated 1.3% of government spending is on social security, and 9.2% of GDP is spent on ‘pro-poor expenditure’.²⁴

Food security: Food insecurity affects 20%–30% of Pakistan’s people (depending on the data source).²⁵ Estimates suggest that 40–62 million people are undernourished,²⁶ one-quarter of households (49 million people) are moderately or severely food insecure²⁷, and 10.1% of households (21 million people) are severely food insecure²⁸ – more so among the poorest wealth quintile (42.1%). More rural (40%) than urban families (31.8%) are food insecure, and food insecurity is most prevalent in Balochistan (50.3%) and Khyber Pakhtunkhwa’s Merged Districts (54.6%).

Nutrition: 40.2% of children under-five are stunted (19.6% are severely stunted), 28.9% are underweight, and 17.1% suffer from wasting.²⁹ Stunting is more common among boys (40.9%) than girls (39.4%), is highest in children aged 18–23 months (46.6%), and is more prevalent in Balochistan (46.6%) and Sindh (45.5%) than in Khyber Pakhtunkhwa (40%) and Punjab (36.4%). Wasting is higher in rural (18.6%) than urban areas (16.2%), and affects more boys (18.4%) than girls (17%). Micronutrient deficiencies are widespread in children under-five, including deficiencies of vitamin

²¹ Bloom, David E., Daniel Cadarette and JP Sevilla (2018) ‘Epidemics and Economics’, *Finance & Development*, vol. 55, no. 2.

²² Government of Pakistan (2018) *Census 2017*, Islamabad: Government of Pakistan.

²³ Ministry of Finance (2019) *Pakistan Economic Survey 2018–19*, Islamabad: Government of Pakistan.

²⁴ https://www.social-protection.org/gimi/gess/ShowCountryProfile.action;jsessionid=2hX_ZTjwm7Kxkham2JTJQ83XBcgR0eFFWkT1_8w9XL5oeWT_CL8Gt!-1463413688?id=406&lang=EN; http://www.finance.gov.pk/survey/chapters_19/15-Social%20Protection.pdf

²⁵ The prevalence of undernourishment and of moderate/severe food insecurity, based on FIES, are two core indicators of SDG 2 (‘zero hunger’).

²⁶ *Pakistan Overview of Food Security and Nutrition Report 2019* using data from the *Household Integrated Economic Survey (HIES) 2015–16*.

²⁷ Based on FIES.

²⁸ *Pakistan Overview of Food Security and Nutrition Report 2019* using National Nutrition Survey 2018 data. The prevalence of food insecurity and number of households are based on FIES. Census’ data (2017) on household size is used to estimate food insecure households and people.

²⁹ Ministry of National Health Services, Regulation and Coordination, UNICEF and Aga Khan University (2019) *National Nutrition Survey 2018*, Islamabad: Government of Pakistan.

D (62.7%), vitamin A (51.5%) and zinc (18.6%). Over half of children (53.7%) and adolescent girls (56.6%) are anaemic. Obesity is an emerging risk, as 9.5% of children under-five are overweight. Pakistan also has among the highest levels of under-nutrition among women of reproductive age – 42.7% are anaemic, 14.5% are underweight, 24.2% are overweight and 13.9% are obese. Infant and young child feeding practices are suboptimal, including the early initiation of breastfeeding (45%) and exclusive breastfeeding for the first six months (50%). Only 14.2% of children aged 6–23 have meals that meet ‘minimum dietary diversity’ standards, and only 3.6% receive the minimum acceptable diet.

WASH: 95% of Pakistan’s households have access to safe drinking water and 70% to improved sanitation. However, improved sanitation is far less common in rural than in urban settings. Open defecation remains widespread (13%) – more so in rural areas (20%) than urban centres (1%).³⁰

Education: 22.9 million children aged 5–16 are out of school in Pakistan, among whom there are more girls (12.16 million) than boys (10.68 million).³¹ Pakistan’s primary net attendance ratio (NAR) is 58.5%, with lower rates among girls (55.4%) than boys (61.4%), and lower rates in rural areas (54.2%) compared to urban centres (67.4%). Pakistan’s middle and secondary level NAR is very low (38%), with particular gender and regional disparities – from 45% in Punjab to 24% in Balochistan.³²

Gender-based violence: 28% of women in Pakistan between 15 and 49 years old have experienced some form of physical violence, of whom 80% have experienced domestic violence at their husbands’ hands.³³ Women also report being abused by brothers, fathers and step-fathers.

Child protection: 102 million³⁴ Pakistanis are between 0 and 19 years old. Violence against children is rife, as is child exploitation. Most children between 1 and 14 years old in Khyber Pakhtunkhwa, Punjab, Sindh (81%) and Gilgit-Baltistan (85%), have experienced psychological aggression, physical punishment or violent behaviour as a form of discipline. Child marriage is prevalent. According to UNICEF, 21% of girls in Pakistan are married before their 18th birthday and 3% before they turn 15.³⁵ Widespread child labour is linked to poverty and limited social protection, among other factors.

IMPACT ON SOCIAL PROTECTION SYSTEMS

The COVID-19 pandemic has serious implications for Pakistan’s social spending, including on essential services for the well-being of women, children and vulnerable groups. In response, the Government has approved a PKR 900 billion (US\$5.66 billion) economic relief package, of which PKR 200 billion (US\$1.25 billion) is allocated to low-income groups, particularly labourers, and PKR 280 billion (US\$1.76 billion) to wheat procurement. Loan interest payments for exporters have been deferred temporarily and PKR 100 billion (US\$63 million) allocated for small industries and agriculture. Under this package, the *Benazir Income Support Programme’s* (BISP) monthly stipend has been raised from PKR 2,000 to PKR 3,000, and the number of BISP beneficiaries increased from 5.2 million to 12 million. Funds for the *Ehsaas* programme will be distributed to the poor using BISP data, through the National Socio-Economic Registry (NSER). NGOs and private sector actors are collecting donations and disbursing rations to vulnerable families. Now, it is important that the Government’s relief package designs inclusive, child-focused products to reach out to the largest group at risk from the pandemic.

³⁰ National Institute of Population Studies (2018) *Pakistan Demographic and Health Survey (PDHS) 2017–18*, Islamabad: NIPS.

³¹ United Nations Children’s Fund, ‘Pakistan: Education – Giving every child the right to education’, <https://www.unicef.org/pakistan/education>

³² National Institute of Population Studies, *Pakistan Demographic and Health Survey (PDHS) 2017–18*, NIPS, Islamabad, 2018.

³³ Ibid.

³⁴ Ibid.

³⁵ Khyber Pakhtunkhwa Bureau of Statistics and UNICEF (2017) *Khyber Pakhtunkhwa Multiple Indicator Cluster Survey 2016-17*, Peshawar.

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Expand BISP coverage and outreach to provide unconditional cash assistance to vulnerable urban and rural people, in order to curb hunger, poverty and inequalities, and to sustain consumption and markets. Include those who have become unemployed, those who have returned to their provinces or villages and are without work, farmers facing labour shortages and women-headed households in rural areas.
- Provide cash transfers through the *Ehsaas* emergency programme and the Prime Minister's Relief Fund for COVID-19 to vulnerable households, including refugees and migrants, to mitigate the pandemic's impact, support recovery and build resilience. The World Bank specifies that this transfer size should be 10% of monthly per capita GDP.³⁶
- Increase BISP and *Ehsaas* programme coverage to provide relief packages and non-conditional grants to over 14 million families, including the additional 15–20 million poor people who have been affected by COVID-19. Allocate around PKR 590 billion (PKR 340 billion for BISP and PKR 150 billion for *Ehsaas*) for relief packages in FY 2020-21. A second round of cash transfers may be needed in July 2020 if the pandemic continues.
- Put in place social protection measures to support home-based workers, daily wage labourers, domestic workers and MSMEs led by women, alongside measures to safeguard their health, incomes and ensure protection from any form of violence.
- Conduct a socio-economic assessment on the needs of transgender persons and integrate these findings in the COVID-19 response.

Medium- and long-term measures

- Continue to modernize and upgrade the social protection system using technology to make it easier to expand horizontally and vertically, to verify eligibility, identify exclusions, and swiftly distribute regular cash payments during an extended lockdown.
- Provide waivers of health insurance premiums for the extremely poor and waivers or subsidies for others.
- Communicate on roles, rights, responsibilities, eligibility criteria, registration, complaint mechanisms and other aspects of cash transfers (e.g. behaviour change). Design and deliver COVID-19 messages for children, women and vulnerable groups.
- Strengthen data and analysis by incorporating critical dimensions and disaggregation (by sex, disability, geography, etc.).
- Implement measures to protect persons with disabilities, especially women and those at risk of neglect, including through accessible communication and public health messages.

IMPACT ON THE FOOD SYSTEM

The COVID-19 pandemic is affecting the food security of millions of Pakistanis, especially the poorest. Restrictions on the movement of goods and people, border closures, quarantines, and disruptions in markets, supply chains and trade is likely to restrict access to sufficient, diverse and nutritious food,

³⁶ Ozler, Berk (2020) 'What can low-income countries do to provide relief for the poor and the vulnerable during the COVID-19 pandemic?', *World Bank Blogs*, <https://blogs.worldbank.org/impac evaluations/what-can-low-income-countries-do-provide-relief-poor-and-vulnerable-during-covid>

especially in areas hard hit by the virus or already beset by recurrent food insecurity. The *Integrated Context Analysis 2017*³⁷ found that chronically vulnerable people are especially at risk from shocks – this pandemic is one of them. Urgent measures are needed to keep the food chain alive, protect food consumption and provide immediate support for livelihoods in the critical agricultural sector.

A long lockdown will reduce smallholder farmers' purchasing power for food items, inputs for the *kharif* planting season and livestock feed. Most rural families store wheat for annual household consumption, setting it aside in April and May. As they lose income – because of reduced sales of produce, livestock and livestock products, and fewer prospects for off-farm work – farmers may sell off their wheat stocks. To make ends meet, they will soon be liquidating assets (e.g. poultry, livestock and other valuable assets). Similarly, incomes will plummet among entrepreneurs, shopkeepers, small factory owners and workers dependent on daily trade and economic activities in rural and urban areas. Daily wage labourers in agriculture and non-agricultural work are highly vulnerable, as are poor urban households, small-scale farmers, landless sharecroppers, internally displaced persons, refugees, the elderly, people with health conditions, and households headed by women or children.

The lockdown will also affect food prices. Short-term fluctuations are clear based on weekly retail price data in 17 cities and 50 markets across Pakistan. Overall, the price of pulses rose by 10% to 20%, and the prices of most of other food items by up to 10%. However, the prices of onions, tomatoes and chicken meat have fallen. Further price fluctuations are expected due to an extended lockdown and a possible rise in transport costs.

According to the Ministry of National Food Security and Research, the Government had 0.723 million tonnes of wheat available as of 27 April 2020, enough for just 10 days. To mitigate COVID-19's impact on agricultural production and supply chains, it procured 1.588 million tonnes of wheat (19.26% of its target) from fresh harvests on 26 and 27 April. As of 2 May, the Government had wheat stocks of 2.387 million tonnes. Ensuring the availability of wheat and food items may be challenging because of hoarding and a delayed harvest. Shortages of agricultural inputs, financing and labour (in light of movement restrictions) will affect the *kharif* planting season – due to start in April/May in Sindh and Balochistan, and May/June in Punjab and Khyber Pakhtunkhwa – with serious implications for food security.

³⁷ ICA uses the MPI as a proxy for vulnerability to food insecurity, see:
http://www.ndma.gov.pk/publications/Integrated_Context_Analysis_Pakistan_2017.pdf

Figure 6. Prevalence of undernourishment in Pakistan

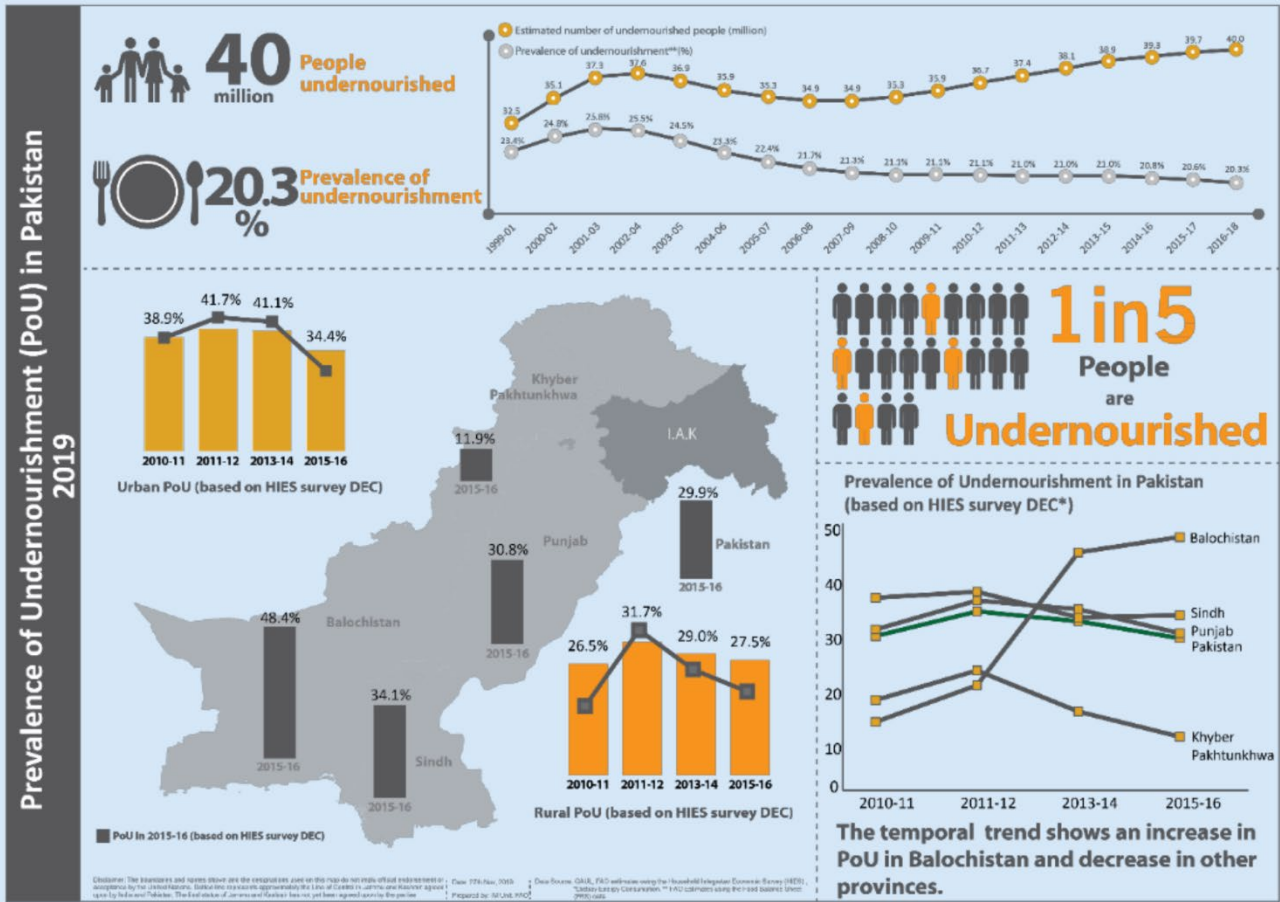


Figure 7. Prevalence of moderate and severe food insecurity based on the Food Insecurity Experience Scale in Pakistan's provinces/regions

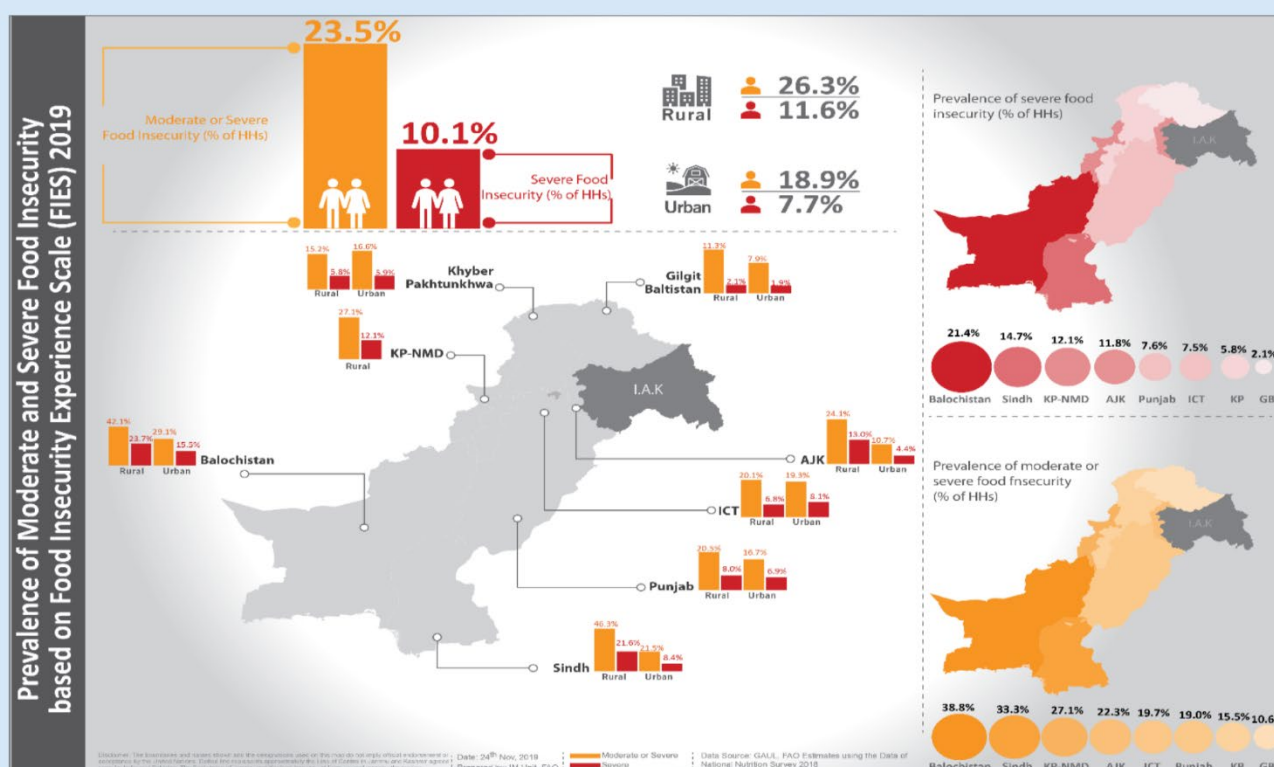


Table 1. Estimated population vulnerable to food insecurity based on the Integrated Context Analysis

| | Total Population 2017 (in Million) | Estimated Population Vulnerable to Food Insecurity (in Millions) | | | |
|-------------|------------------------------------|--|------------------------|--------------------|---|
| | | Long-term vulnerable | Chronically vulnerable | Highest vulnerable | Additionally, vulnerable (in case of a shock) |
| Pakistan | 207.7 | 39.29 | 36.43 | 41.74 | 2.45 |
| Balochistan | 12.3 | 3.71 | 3.53 | 3.86 | 0.15 |
| KP | 30.5 | 7.25 | 6.69 | 7.74 | 0.49 |
| Punjab | 110.0 | 18.29 | 15.58 | 20.90 | 2.60 |
| Sindh | 47.8 | 9.77 | 9.13 | 10.40 | 0.62 |

RECOMMENDED RESPONSE MEASURES

What to monitor

- (i) The geographic spread of COVID-19 in terms of the number of people affected.
- (ii) Domestic (within provinces and intra provinces) trade and supplies, and international trade.
- (iii) Markets and the prices of food and other essential commodities.
- (iv) Impact on livelihoods, i.e. the loss of work or income opportunities for the urban and rural poor.
- (v) Impact on agriculture and livestock, including wheat yields and labour capacity for the ongoing harvest, capacities to sow seeds for the next season, and livestock health, feed and trade.
- (vi) The performance of the approaching agricultural season.
- (vii) The spread or containment of locusts, and barriers to regular surveillance and control.
- (viii) Federal and local government policies for trade and movement.
- (ix) Economic measures and policies to support smallholder farmers' food security and production.

Policy and regulatory measures

- Balance public resource allocations between emergency health interventions, food security and livelihood support to address the greatest shocks caused by COVID-19.
- Monitor food and nutrition security regularly in highly food insecure areas and among vulnerable groups, including households headed by women or children, those with pregnant and lactating women, and with children under-two. Publically fund emergency food and food system support to address the drivers of food insecurity.
- Maintain and increase the monitoring of regulatory measures to discourage and control hoarding, price gouging and speculation, specifically in relation to food, livestock and agricultural inputs and machinery, as part of the normal surveillance of food markets.
- Adjust the design of the *National Agriculture Emergency Programme* (NAEP) and *Ehsaas*¹ to rapidly reach those most vulnerable to COVID-19.
- Make information available on agricultural and market sales during the COVID-19 response through government portals and district Farm Service Centres, to strengthen the public management of food markets and supply chains, and to prevent food system failures (e.g. price hikes, staple food shortages and poor diets).
- Strengthen the *National Food and Nutrition Security Information System* and continue to publish analysis (e.g. *Pakistan Overview of Food Security and Nutrition*, the *Pakistan Food Forecast*) to understand and respond to COVID-19's impact on the food system.
- Centralize and strengthen the data and analytical capacity of the Ministry of Food Security to inform decision-making, in coordination with provincial monitoring capacities.
- Redesign current projects funded by IFIs and development partners to provide rapid emergency agriculture and food system support, as needed.
- Maintain open food trade with other countries, and request – in bilateral and multilateral fora – that trading partners do not introduce protectionist policies that could increase food prices. Accelerate customs clearance for food items.

Short-term measures

- Provide unconditional food assistance (in-kind transfers) to the most vulnerable families, alongside information on nutrition and COVID-19. Consider nutrition-specific support (e.g. community-based management of acute malnutrition) in districts with high malnutrition.
- Ensure that the nutrient composition of rations is aligned with the *Pakistan Dietary Guidelines for Better Nutrition* and include: high-nutrient food items (vegetables, dried fruit and milk), balanced staples (*daal*/lentils, rice, gram and wheat flour) and limited oil, tea and sugar. Consider including fortified items for groups at risk of malnutrition.
- Immediately remove impediments to the efficient and effective operation of food systems, with a focus on agriculture and livestock supply chains, including the production and distribution of agricultural inputs, the movement of agriculture labourers, and the movement, storage, processing and sale of agricultural outputs.
- Immediately remove barriers to the intra and inter-provincial transportation and storage of goods. Support Transportation Departments to work with the private sector to ensure the availability and operation of transportation (including allied businesses, such as mechanics and restaurants/food points for drivers) and of collection points, transit hubs, storage, cold stores and at

selling points to minimize food loss. Pay special attention to remote areas (e.g. border areas) that usually rely on cross-border supplies.

- Develop and deliver COVID-19-specific health and safety guidelines along with existing health and safety equipment (HSE) for agricultural labourers, farmers, food processors and food transport workers. Ensure that women are afforded the same access to safety guidelines and countermeasures as men.
- Provide stimulus packages, subsidized loans, debt relief and other support to businesses, organizations and people – especially women farmers – in food and agricultural work through the formal finance sector.

Medium to long-term measures

- Modernize and upgrade the supply chain through distribution, marketing and purchasing arrangements for food (e.g. introduce electronic transactions, online or tele-sales points, and vertically-integrated ordering and delivery systems). Improve mobile data connectivity and e-banking penetration, including in remote areas, by identifying markets for modernization and implementing food safety protocols.
- Work with existing private sector actors to develop a safe, efficient process for delivering food packages, especially in areas vulnerable to COVID-19 and food insecurity.
- Work to eliminate or reduce child labour in the food and agricultural sector.

IMPACT ON NUTRITION SERVICES

Vulnerable groups (children, adolescents and women) who already suffer from malnutrition will be at great risk if they contract COVID-19. As the pandemic takes a toll on food security – disrupting food supplies, diminishing incomes and reducing access to sufficient nutritious food – malnutrition will rise. These concerns are raised in the National Disaster Management Authority’s letter on COVID-19 response and risk mitigation (6 April), requesting UN support.

Figure 8. Prevalence of stunting in young children

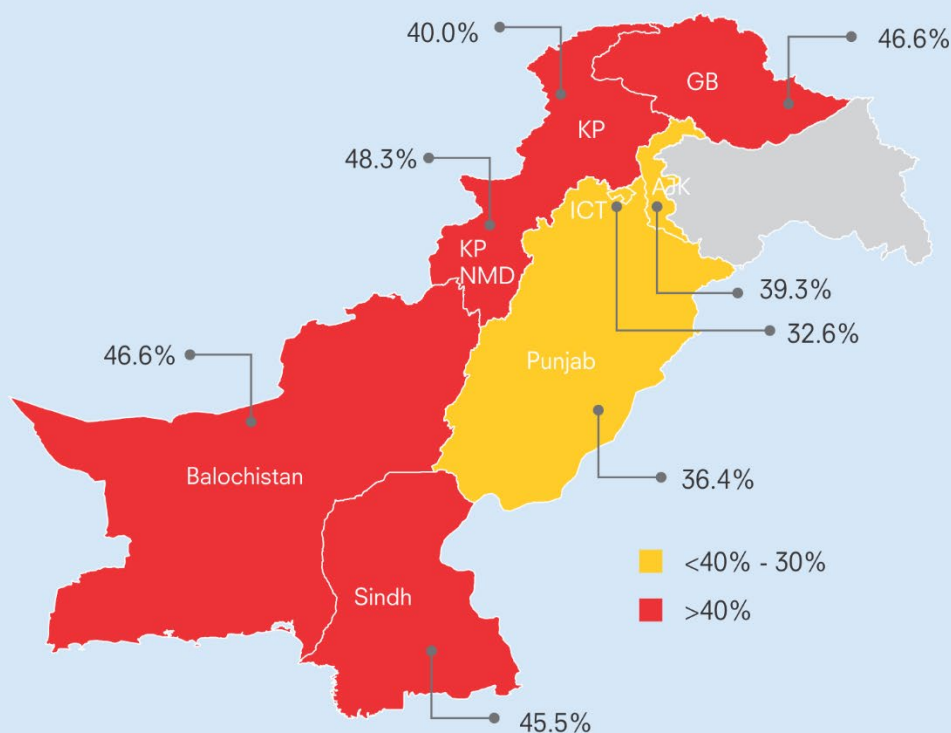
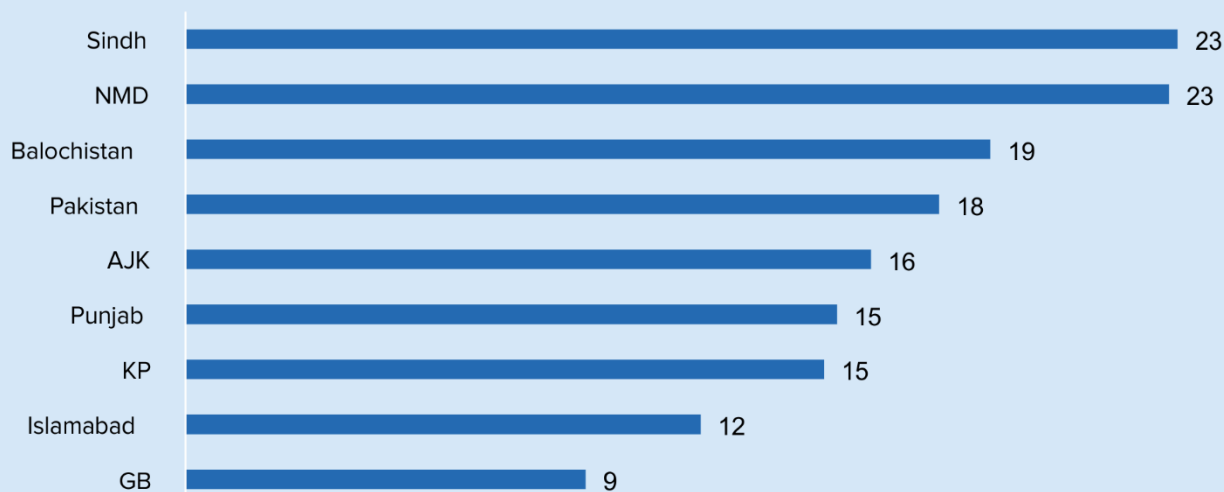


Figure 9. Prevalence of wasting in young children



RECOMMENDED RESPONSE MEASURES

Policy and regulatory measures

- Regularly monitor the nutrition status of vulnerable groups, including young children and pregnant and lactating women, in highly food insecure areas.
- Extend existing social programme to address the drivers of malnutrition among vulnerable populations in districts with a high prevalence of wasting and stunting.

Short-term measures

- Continue treating severe acute malnutrition at the health facility level. Ensure the safety of workers, children and caregivers in line with *COVID-19 Nutrition Guidelines*.
- Disseminate information on infant and young child feeding through electronic media.
- Strengthen health systems to deliver safe, quality nutrition services in the pandemic.
- Target the most nutritionally vulnerable households in social protection schemes.

Medium and long- term measures

- Provide localized assistance for nutrition-sensitive food production to ensure continued quality food supplies for vulnerable households (e.g. those with pregnant and lactating women, and with children under 2 years old).
- Mainstream nutrition services into the integrated primary health care system to ensure that the health system can cope with a spike in the malnutrition caseloads.
- Implement and monitor the nutrition sector COVID-19 response plan, developed with the Ministry of Health, UN agencies and NGO partners.

IMPACT ON WATER AND SANITATION SERVICES

During the pandemic, children are most at risk in informal settlements with poor WASH services (urban slums), densely populated neighbourhoods and remote areas where a lack of basic infrastructure limits access and outreach. Children, adolescents and women in urban slums, around isolation centres, in congested areas, and who attend religious gatherings – especially in areas where law enforcement is weak – are at the greatest risk of contracting the virus. Sanitary workers who collect solid waste are the most vulnerable, as are daily wage labourers who may no longer be able to afford expenses like soap, and households without adequate WASH services (e.g. water supplies for handwashing).

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Provide psychosocial support mechanisms, working with communities on behavioural change and WASH practices. This can be integrated into the *Tiger Force* programme, after appropriate training of Tiger Force members.
- Ensure infection prevention and control at health facilities and quarantine centres, especially access to WASH facilities and waste management. Train frontline cleaners and provide them with personal protective equipment.
- Raise community awareness of COVID-19 infection prevention and control through Clean Green Champions, religious leaders, CSOs and CRPs on Risk Communication.
- Distribute or provide hygiene items, especially soap and sanitizer to the poor.
- Support service providers to ensure that WASH and waste management services are well-managed and well-organized.
- Enforce a legal compulsion to abide by SOPs as the lockdown is eased off, whether at factories or retail spaces. Ensure that enforcement is well thought through.

- Ensure SOPs for places where people interact to limit exposure and increase WASH standards as the lockdown is eased off. Tailor requirements to the setting, e.g.:
 - **Commercial areas:** Require retail spaces, such as markets, to ensure constant adherence to hygiene and sanitation standards as they experience an influx of new people daily. Determine whether each market will have entry points where hygiene is maintained, and whether there will be limits on the number of shoppers.
 - **Industrial areas:** Ensure worker safety through physical distancing and limiting exposure, as far as possible. Enforce minimum standards of WASH infrastructure for each unit (requirements should be based on the number of workers).

Medium and long-term measures

- Install safe drinking water and handwashing facilities in key locations in informal settlements and public places. Ensure emergency preparedness by providing water tanks, standpipes, handwashing facilities, soap/sanitizers, and hygiene messages.
- Conduct sensitization and awareness campaigns including COVID-related messages by actively engaging community leaders and existing slum networks.

IMPACT ON LEARNING AND EDUCATION

COVID-19 is dealing a blow to education and the continuity of learning in Pakistan. All public and private educational institutions were closed in March, directly affecting 42 million students from the pre-primary to higher secondary levels. Some facilities have been designated isolation and quarantine centres. The pandemic will magnify the education system's vulnerabilities, particularly if a recession reduces public funding. Continued school closures mean a loss of learning that will widen the gap between expected years of schooling and learning adjusted years of schooling. It may cause dropout rates to rise, adding to the ranks of 22.9 million children who are already out of school. More children will be pulled out of school if income loss prompts parents to send them out to work. COVID-19 will heighten existing rural-urban, gender-based and socio-economic divides. Rural settings and urban slums are at high-risk, and more than 70% of students reside in these areas. Girls are especially at risk – they are twice as likely to be out of school in crises and face greater barriers to education. A comprehensive approach is needed to ensure the continuity of learning, mitigate the recession's spillover effects, and safeguard the education system.

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Provide targeted distance learning programme, especially for vulnerable poor or rural children, using multiple mediums (television, radio, SMS, internet, no/low tech, etc.).
- Ensure the safe reopening of schools and student screening, including special measures for centres used as quarantine, isolation or care facilities. Ensure cleaning, disinfection and decontamination, and provide WASH facilities and supplies.

Medium and long-term measures

- Strengthen and expand accelerated and alternate learning programmes across Pakistan, with a focus on areas hit hardest by the pandemic.
- Introduce skill-based learning programmes to retain poorer children, providing useful income-generation skills and linking learning with local employment needs.

- Develop policies for primary and secondary education on distance learning, accreditation and monitoring learning outcomes at the federal and provincial levels.
- Expand social protection products (e.g. BISP *Waseela-e-Taleem*, school stipends) with better targeting for vulnerable students, especially girls from poor backgrounds.
- Enhance the capacity of federal and provincial education systems, including teachers, to deliver curricula through technological and non-technological mediums.
- Introduce an incentive-based (food, cash or vouchers) education support programme for children from the pre-primary level to Class 10 in food insecure areas affected by COVID-19, to increase retention and prevent drop outs.
- Integrate health and hygiene policies as part of the school curriculum and syllabus.

IMPACT ON GENDER-BASED VIOLENCE

Epidemics increase the risk of domestic and gender-based violence.³⁸ Unemployment drives up the depression, aggression and episodes of violent behaviour in men.³⁹ Thus, violence against women and children is likely to increase in the wake of COVID-19. Frontline workers (doctors, nurses and other caregivers, most of whom are women) have been harassed or assaulted while working in hospitals or in the field. The incidence of child marriage may rise as a negative coping mechanism families adopt to deal with economic and psychological stresses. A lack of access to support makes girls highly vulnerable, for instance, after devastating floods in 2010, NGOs reported an increase in early marriages. As the minimum age of marriage varies across Pakistan's provinces, legislative protection must be ensured in the long-term, paired with community sensitization. It is important to raise the minimum age of marriage to 18 for girls and boys nationwide, ensure the implementation of laws, and strengthen the capacity of institutions to address child marriage

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Provide essential services to survivors of gender-based violence, based on UN Women's *Essential Services Package*.⁴⁰ Remember that key structures for referrals and coordination are part of essential services, including shelters, helplines and mechanisms for the coordination of the police, judiciary, health and governance related to GBV. Identify and adapt existing structures and SOPs.
- Prepare protective response mechanisms to meet the increase need for GBV response and support services, identify gaps in services, and prepare to provide essential stop gap measures, especially in quarantined and/or locked down areas.
- Put in place mechanisms to ensure that response services for GBV survivors are maintained as life-saving interventions (including telephone support).

³⁸ O'Brien, Melanie and Ximena Tolosa (2016) 'The effect of the 2014 West Africa Ebola virus disease epidemic on multi-level violence against women', *International Journal of Human Rights in Healthcare*, vol. 9, no. 3, pp. 151–160.

³⁹ Ali, Parveen A. and Gavino, Maria Irma (2008) 'Violence against women in Pakistan: A framework for analysis', *Journal of the Pakistan Medical Association*, vol. 58, no. 4.

⁴⁰ See: <https://www.unwomen.org/en/digital-library/publications/2015/12/essential-services-package-for-women-and-girls-subject-to-violence>

- Integrate GBV prevention and response into emergency response efforts. Keep GBV services available during the pandemic, including by keeping trained police, health care workers, social workers and crisis centres available for GBV survivors.
- Keep hotlines for GBV crisis response open. Transition to remote support as needed.
- Establish guidelines on protection against sexual exploitation and abuse (PSEA) to ensure the safety of women doctors, health and frontline workers.
- Promote gender parity among staff and volunteers recruited for humanitarian support.
- Raise GBV awareness, including among women, through radio, PTV, social media, etc.

Medium and long-term measures

- Conduct counselling sessions for men through media channels.⁴¹
- Establish and strengthen community surveillance and reporting mechanisms to track cases of child marriage and improve the enforcement of legislation to curb this practice.

IMPACT ON CHILD PROTECTION

Protection issues for children who are in isolation/quarantine and have mental health concerns are manifold. Children who are not ‘covered’ by a legal registration process (e.g. birth registration) are especially vulnerable. They tend to live in rural areas, their families, especially their mothers, tend to be uneducated, most are from lower-income households, belong to minorities, are immigrants, or are abandoned. These children are most at risk of exploitation and abuse as a result of the COVID-19 pandemic. Child labour is also likely to rise as more children are sent to work to boost falling incomes (see Pillar 3 for more).

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Establish clear regulations on alternative care for children that prioritize the best interest of the child. Ensure that specific regulations for alternative care institutions include quality care standards and medical, psychosocial and educational services to facilitate the rehabilitation and social reintegration of children recovering from trauma/COVID-19.
- Provide essential services for child survivors of violence. Ensure that key structures within child protection-related departments are considered part of essential services. These include helplines and mechanisms for the coordination of the police, judiciary, health and governance (e.g. the case management system) related to child protection.
- Conduct a rapid assessment to gather data on the impact of COVID-19 on violence against children to inform child protection strategies and programmes.
- Prioritize early childhood development (ECD) to address children’s health, nutrition, and cognitive, psychosocial language development needs.
- Train primary care providers on psychological care, prevention, management, treating frequent or lower-acuity mental health conditions in children/youth, and referrals to medical services. Map and

⁴¹ Evidence from a field experiment in Liberia shows that television drama serials to improve gender norms had a positive effect on decreasing gender-based violence underlined by potential depressive disorders experienced by men.

strengthen existing mental health and psychosocial support (MHPSS) structures and services. Ensure MHPSS support and response for children.

- Train personnel (MHPSS professionals, helpline staff, social, health and lay workers, and mental health specialists) including on remote, psychological and first aid dimensions.

Medium and long-term measures

- Prioritize capacity development that adopts a 'systems lens', particularly of social workers, teachers and caregivers, to improve understandings of children's psychosocial needs, and access to child-centred teaching-learning materials and resources.
- Strengthen child protection mechanisms to prevent and respond to violence.
- Conduct risk assessments to analyse COVID-19's impact on communities, children, adolescents, livelihoods and sectors relevant to child rights (e.g. agricultural labour).
- Establish comprehensive MHPSS systems to cater for vulnerable populations, with a focus on children in psychosocial distress.
- Modify the operational arrangements of vital registration, including birth registration business processes, standard operating procedures and rules. Strengthen staff capacity to address the short-term back log caused by the pandemic.

PILLAR 3. ECONOMIC RECOVERY: PROTECTING JOBS, MICRO, SMALL AND MEDIUM-SIZED ENTERPRISES, AND THE MOST VULNERABLE PRODUCTIVE ACTORS

“The coronavirus is a shock to the economy the likes of which none of us has ever seen. A hurricane hitting every place in the United States, Europe, and much of the rest of the world simultaneously. And hitting every day for weeks, months, or perhaps even a year. It is partly a supply shock as workers can no longer work and supply chains get severed. It is also partly a demand shock as people will cut back their demand, not just for restaurants and travel but likely much else throughout the economy given the extreme nervousness about their economic situation. The public health measures to flatten the curve, delaying and spreading out the extent of the virus, will necessarily and appropriately impose large economic costs. The job of economic policy is, to the greatest extent possible, to protect people from those costs now and help ensure the economy is in a position to rebound quickly when the health threat is contained. Doing this will require a multifaceted and ambitious policy response.” –

Mitigating the COVID Economic Crisis: Act Fast and Do Whatever It Takes,

Richard Baldwin and Beatrice Weder di Mauro, March 2020, CEPR Press VoxEU.org.

The rapid assessment of COVID-19’s human, social, and economic costs shows that there will be serious consequences for workers and economies, requiring coordinated policy responses at the national, regional and global levels. ILO Notes^{42 43} highlight that:

- COVID-19 is an economic and labour market shock, affecting supply (the production and distribution of goods and services) and demand (consumption and investment).
- The pandemic will have a far-reaching impact on labour market outcomes.
- Prospects for the quantity and quality of employment are deteriorating rapidly. Initial ILO estimates point to a significant rise in unemployment and underemployment.
- Reduced economic activity and movement restrictions are affecting manufacturing and services, and causing labour supplies to decline.
- Working poverty is likely to increase significantly.
- The loss of income will translate into the reduced consumption of goods and services, threatening the continuity of businesses and economic resilience.

The ILO outlines a four pillar policy framework, based on International Labour Standards, to address COVID-19’s impacts. This informs the policy recommendations in this section. The *Employment and Decent*

⁴² International Labour Organization (2020) ‘COVID-19 and world of work: Impacts and responses, ILO Note, 18 March 2020, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_738753.pdf

⁴³ International Labour Organization (2020) ‘COVID-19 and the world of work: Updated estimates and analysis, ILO Note, 7 April 2020, https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_740877.pdf

Work for Peace and Resilience Recommendation (No. 205)⁴⁴ also provides guidance for policy responses to COVID-19's impact on the world of work.

Figure 10. ILO policy framework: Four key pillars to fight COVID-19 based on International Labour Standards



Recovery and social stability will require inclusive social dialogue – between social partners and others – to address the causes and consequences of COVID-19, ensure an effective crisis response, and monitor ‘who is taken care of’. In line with the International Labour Standards, this involves:

- assessing the labour market and identifying workers who are not captured in the LFS;
- discussing possible alleviation packages with social partners to incorporate their feedback and implement actions to publicize and monitor the delivery of benefits;
- using social protection institutions to transfer cash and in-kind benefits; and
- monitoring measures to ensure they reach those in need (e.g. public-private partnerships with telecom corporations to facilitate the use of mobile phones for outreach).

Labour force statistics: According to the *Labour Force Survey (LFS) 2017–18*⁴⁵, there are 61.7 million employed workers in Pakistan. There are more employed men (48.17 million) than women (13.54 million), more workers live in rural areas (40.75 million) than urban centres (20.96 million), and 23 million workers are youths aged 15–29. Of the total workforce, 23.8 million are agricultural workers. Among Pakistan’s 37.9 million non-agricultural workers, 27.3 million (72%) work in the informal sector, and 10.6 million (28%) in the formal sector. More workers (37.60 million) live in Punjab than Sindh (14.44 million), Khyber Pakhtunkhwa (7.17 million) and Balochistan (2.51 million).

⁴⁴ See: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R205

⁴⁵ This analysis is based on data from the latest available *Labour Force Survey (LFS) 2017-18*, as data from 2018-19 has not yet been released.

Informal workers: Most of Pakistan's 27.3 million informal workers are 'paid employees' (13 million, or 48%), while 11.2 million (41%) are 'self-employed' and 'own account' workers. Most informal paid employees (9.8 million, or 75%) earn less than the mandated minimum monthly wage (PKR 17,500).

Migrant workers: Pakistan is a major 'labour-sending' country. Almost 11 million Pakistani migrant workers are employed abroad, mostly in Gulf Cooperation Council (GCC) countries.

Child labour: According to the 2014-15⁴⁶ LFS, there are 3.93 million child labourers in Pakistan.

Refugees and stateless persons: Pakistan hosts 1.4 million Afghan refugees registered with the Afghan National Registration database, managed by Pakistan's National Database and Registration Authority (NADRA). A large number of stateless persons and those at risk of statelessness also live in Pakistan, including Bengali, Bihari and Rohingya communities. Their real numbers are unknown. Most refugee households are engaged in the informal sector, usually as daily wage labourers.

Women workers and home-based workers: There are an estimated 12 million home-based workers in Pakistan. Most are women, who earn on average PKR 3,000–4000 per month on a 'piece rate' basis and are not covered by social protection. The vast majority of Pakistan's women workers are concentrated in agriculture. Among women in non-agricultural employment (about 30% of all workers), most are contributing family workers (51.9%).⁴⁷ Many others are teachers and health workers.

Micro, small and medium-sized enterprises: The non-agriculture sector engages 33.36 million workers, 26.89 million of whom work in MSMEs with ten employees or fewer (45% of Pakistan's total employed labour force, and 81% of its non-agricultural workforce). Their number is roughly equal to that of informal non-agricultural workers (26.84 million), indicating that MSMEs are usually informal and that most informal employment is in MSMEs.⁴⁸ According to SMEDA⁴⁹, 3.25 million MSMEs make up 90% of the enterprises in Pakistan, employ 80% of the non-agricultural labour force, and account for 40% of annual GDP. Most (97%) MSMEs are owned by individuals. Pakistan's draft *National SME Policy 2019* estimates that there are 3.8 million small and medium-sized enterprises (SMEs) in the country, mostly commercial and retail shops (1.8 million), service (1.2 million) and industrial establishments (0.8 million). While a large proportion of MSME workers are women, there are few women entrepreneurs (1%), women-owned MSMEs (6%) and women-only employers (2%).

Technical and vocation education and training: Over 60% of Pakistan's population is under the age of 30. Many youths lack skills (44% drop out of primary and 40% of secondary education), hampering productivity and contributing to poverty.⁵⁰ The TVET system struggles to bridge these gaps as there are only 3,798 TVET institutes with places for 0.5 million trainees per year,⁵¹ their quality is not standardized, and mismatches persist between market demands and trainees' skills.

IMPACT ON AT-RISK WORKERS

The Government's fiscal stimulus package allocates PKR 200 billion to labourers who have lost their jobs or face reduced employment opportunities due to the COVID-19 pandemic. This sum will be distributed after consultations with the business community and provinces. The Government has also allocated PKR 100 billion for small businesses and agriculture, and a stimulus package for the construction sector elevates it to the level of an 'industry', offers tax concessions (waiving capital gain tax) and exempts investors from disclosing their source of income. Despite attempts to maintain agricultural activities and supply chains, workers livelihoods are under strain from restrictions on movement, transport and markets. Regulations

⁴⁶ The last "Child Labour Force Survey was carried out in 2014-15. Current Survey is under progress.

⁴⁷ Pakistan Bureau of Statistics (2018) *Labour Force Survey 2017–18*, Islamabad: Government of Pakistan.

⁴⁸ These numbers are based on the *2005 Census of Economic Establishments* for which data was collected between 2001 and 2003. The results showed that 99% of these enterprises were microenterprises, employing less than 10 workers.

⁴⁹ SMEDA (n.d.) *State of SMEs in Pakistan*, https://smeda.org/index.php?option=com_content&view=article&id=7:state-of-smes-in-pakistan

⁵⁰ Social Policy and Development Centre (2016) *Poverty and vulnerability estimates in Pakistan*. Karachi: SPDC.

⁵¹ Ahmad, Shakeel (2018) 'Unleashing the potential of a young Pakistan', Islamabad: UNDP, <http://hdr.undp.org/en/content/unleashing-potential-young-pakistan>

require employers to pay workers' wages and prevent them from terminating contracts, yet informal workers are not protected and remain ineligible for social security.

Among Pakistan's at-risk workers⁵², its 27.3 million informal workers are most vulnerable to losing their jobs and income security. Most work in the sectors hit hardest by reduced economic activity (8.88 million in wholesale and retail trade, 6.22 million in manufacturing, 4.43 million in construction, 4.37 million in community, social and personal services, and 3.14 million in transport, storage and communications). Own account workers and casual wage earners (daily paid employees) face particular difficulties as they have few options to work from home, take time off, or avoid commuting in order to practice social distancing.

To develop scenarios on the number of workers likely to face immediate unemployment, or underemployment and extreme working poverty (income loss), this analysis looks at the total number of informal non-agricultural workers and non-regular formal sector workers (casual paid workers, those working 'piece rate', and own-account workers). It then excludes 2.5 million unpaid family workers, as they do not have a direct income stream (although they may also be affected), and 0.06 million outlier workers in the informal sector, as their vulnerability is hard to assess. While their livelihoods will be affected by COVID-19, their jobs may not be. This results in a total quantum of 24.7 million workers, a certain proportion of whom will become underemployed or unemployed and will require social protection support.

At-risk employment in the agricultural sector is different, given the nature of agricultural activities in Pakistan – including sharecropping, tenant farming and smallholding. The 2.9 million paid workers usually engaged in crop sowing and harvesting may lose their livelihoods if restrictions are placed on movement in rural areas. Rural household incomes may have to stretch to cover more people, as daily wage labourers return from urban centres to their villages to wait out the lockdown. This will increase the incidence of working poverty.

Table 2 presents two scenarios based on the likely increase in layoffs, job loss and job disruption (fewer hours, lower wages) for workers in precarious employment across key sectors. The first scenario – based on the assumption that the economic slowdown will be moderate – estimates that 12.6 million at-risk workers may lose their jobs or volume of work (hours and pay), largely in wholesale and retail trade, construction, manufacturing, and the transport, storage and communication sectors. The second scenario is based on the assumption that economic activity will be severely restricted. It estimates that 19.1 million workers are likely to face labour market disruption, especially those in wholesale and retail trade (6.1 million), construction (3.9 million) and manufacturing (3.8 million).

These estimates of workers in precarious employment, and those likely to lose out under both scenarios, are based on LFS data from 2018. Actual figures will be much higher.

Table 2. Estimates of layoffs/employment loss of at-risk workers under different scenarios

⁵² The ILO has a different definition for vulnerable workers (own-account workers and unpaid family workers). Therefore, 'at-risk workers' is used here to indicate those workers most affected by the COVID-19 pandemic.

| Sectors | At-risk employment (million) | Job loss or disruption (as a percentage of total vulnerable employment) | | Workers vulnerable to job loss or job disruption (million) | |
|--------------------------------------|------------------------------|---|------------|--|-------------|
| | | Scenario 1 | Scenario 2 | Scenario 1 | Scenario 2 |
| Manufacturing | 5.4 | 40 | 70 | 2.2 | 3.8 |
| Construction | 4.4 | 70 | 90 | 3.1 | 3.9 |
| Wholesale & retail trade | 7.7 | 50 | 80 | 3.8 | 6.1 |
| Transport/storage & communication | 3.1 | 60 | 90 | 1.8 | 2.7 |
| Community/social & personal services | 4.0 | 40 | 60 | 1.6 | 2.4 |
| Others | 0.3 | 50 | 60 | 0.1 | 0.2 |
| Total | 24.7 | | | 12.6 | 19.1 |

Source: Calculations based on LFS 2017-18 and secondary sources⁵³

To estimate wage loss among at-risk workers (only ‘paid employees’), the average monthly wage in each sector is multiplied by the number of paid employed workers at risk of job disruption (see Table 3). The analysis of both scenarios is based on the assumption that economic activity will slow for just one month. If activities are affected for longer, aggregate wage loss will multiply under both scenarios. The analysis does not include estimates for self-employed workers also likely to face underemployment (e.g. sharecroppers and smallholder farmers) because the LFS does not include data on their monthly earnings.

In scenario 1, income loss among paid employees will total PKR 100.39 billion for one month. In scenario 2 (severe restrictions), this rises to PKR 145 billion for one month. Due to data constraints, no estimates can be offered on income loss for the 5.7 million self-employed workers likely to lose income under scenario 1, and the 9 million under scenario 2.

Table 3. Average monthly wage loss of paid employees in at-risk employment (PKR billion)

| | Monthly earnings of paid employees in vulnerable employment (Rs.) ⁵⁴ | Wage loss | |
|--------------------------------------|---|---------------|---------------|
| | | Scenario 1 | Scenario 2 |
| Manufacturing | 12,450 | 14.48 | 25.34 |
| Construction | 16,056 | 46.88 | 60.27 |
| Wholesale & retail trade | 13,313 | 14.91 | 23.86 |
| Transport/storage & communication | 16,555 | 12.15 | 18.22 |
| Community/social & personal services | 11,806 | 11.23 | 16.85 |
| Others | 23,734 | 0.73 | 0.88 |
| Total | | 100.39 | 145.43 |

RECOMMENDED RESPONSE MEASURES

⁵³ Pakistan Institute of Development Economics (2020), ‘Sectoral Analysis of the Vulnerably Employed COVID-19 and the Pakistan’s Labour Market’, *PIDE COVID-19 Bulletin*, no. 4, Islamabad: PIDE, <https://www.pide.org.pk/pdf/PIDE-COVID-Bulletin-4.pdf>

Pakistan's most at-risk workers need urgent support – i.e. casual and daily wage workers, and the self-employed, especially in wholesale and retail trade, construction, manufacturing, transport and communications, and important rural subsectors (harvesting, food processing, and the sale of seeds, fertilizers and pesticides).

Short-term measures

- Use the Government's PKR 200 billion allocation for labourers to develop a mechanism for a wage subsidy, a partial unemployment grant, or a grant for the informal sector for a one-month period. Ensure that this mechanism and its criteria are transparent and informed by consultations with key stakeholders. Examine options to allocate additional funds if the lockdown is extended (e.g. re-appropriating the PSDP, cutting federal entities' operational budgets, requesting donor funding, etc.) Alternatively, the Government may consider a lower flat cash transfer paired with in-kind transfers for basic needs, based on the average wage calculated above.
- Use the additional PKR 100 billion for small businesses and the agricultural sector to target micro enterprises that depend on daily income in key sectors (manufacturing, wholesale and retail trade, transport and communications, and the community, social and personal services sectors) and self-employed agricultural workers (sharecroppers and smallholders). Deploy tailored measures for these groups, including appropriate compensation for farmers, agricultural workers and enterprises.
- Provide a financial assistance programme for low-income and part-time workers, the self-employed and freelancers (e.g. rapid access to 'cheap' loans).
- Make the construction sector more labour-intensive by adopting ILO methodologies (e.g. *Labour-Based Infrastructure Technology*, *Employment-Intensive Infrastructure* and *Local Resource-Based Approaches*) to prevent mass unemployment. Start a technical assistance programme to promote these technologies with a budget of US\$10 million. Ensure social partners' participation in developing such programmes.
- Conduct an urgent analysis of COVID-19's impact on agriculture/the rural economy.
- Target agricultural workers, including women, by supporting an intensification of rural food supply chains with higher opportunities of proximity for producers and buyers in terms of marketing, collection centres and storage, to mitigate transport restrictions.
- Develop and deliver economic support to businesses and organizations in the food processing sector to increase available jobs, overcome restrictions on agricultural workers' movement between provinces, and provide an ongoing supply of safe food. This includes the production of food inputs, food packaging, and the provision of safe food technical services, including by enforcing food safety protocols.
- Communicate guidance on the efficient use of local agricultural labour to avoid food system disruptions. Allow the movement of agriculture workers in villages and union councils without COVID-19 transmission to support local labour networks.
- Subsidize and encourage the banking, private and not-for-profit sectors to make loan products available for purchasing agriculture machinery, in order to free up agricultural labour in areas affected by movement restrictions.
- Immediately start the registration of informal workers, including in rural areas, in line with the *Ehsaas* Tripartite Labour Welfare and Social Protection Expert Group's recommendations, building on existing databases and maintaining these databases. Explore a demand-driven approach, rather than blanket registration. Commence cash transfers once workers are registered and their eligibility

is verified. Add an additional field under ‘occupation’ to the Government’s 8171 mobile application to identify at-risk workers eligible for cash transfers of PKR 12,000 for three months.

- Increase protection for essential production workers, including safe working environments that enable physical distancing. Provide masks and personal protective equipment, hand washing facilities and safe transport. Enforce occupational safety and health standards, provide access to paid sick leave, and implement special guidelines for workplaces issued by federal and provincial Directorates of Labour.
- Devise modalities to collect COVID-19-specific labour force data in collaboration between federal and provincial governments and development partners. Harness the *Digital Pakistan* platform to collect COVID-19-specific data (disaggregated by sex, occupation, employment status, sector, etc.) using digital technologies.

Medium and long-term measures

- Use data from the *Ehsaas* programme’s update of the National Socio-economic Registry (NSER) to identify additional households whose members are in vulnerable work. Make payments to these households through *Ehsaas*’ existing targeting and payment systems by increasing the cut-off score threshold on the poverty scorecard.
- Expand social protection coverage to include informal workers. Revisit the Labour Welfare and Social Protection Expert Group’s recommendations for guidance.
- Ensure that vulnerable rural households (sharecroppers/contract cultivators and daily wage labourers) do not face any disruptions in the supply chains of agricultural inputs (seeds, fertilizers and pesticides, etc.).
- Devise separate provincial support packages for the agricultural sector to secure affordable access to vital productive inputs and finance.
- Prioritize mechanisms for the resolution of labour disputes, which are likely to increase, to create a stable environment for industrial relations.
- Develop a central registry on all the workers in Pakistan, including informal and self-employed workers, by synchronizing data from available sources (NADRA’s database, the 2017 Census and NSER). Support the Government to devise a mechanism to update this database regularly.
- Consider including COVID-19 on Pakistan’s list of occupational diseases.
- Support the Pakistan Bureau of Statistics to continue its surveys and develop innovative data collection methods.

IMPACT ON LABOUR MIGRATION AND OVERSEAS PAKISTANIS

The contraction of global economies may lead to permanent or temporary unemployment, or reduced incomes, for many migrant workers (overseas Pakistanis). A ban on international travel and restricted intercity travel has already affected labour migration. The Bureau of Emigration and Overseas Employment (BE&OE) reports that 50,000–60,000 migrant workers who completed registration processes at the Protectorate Office could not proceed overseas due to travel restrictions and lockdowns. Over 100,000 foreign jobs advertised on BE&OE’s website have been put on hold, and the Protectorate Office has limited its operations due to the uncertain global situation.

In response, the Government has appointed a focal person to assist overseas Pakistanis affected by the pandemic. The Task Force on Overseas Pakistanis and Human Resource Development is assessing

COVID-19's short-, medium- and long-term impact on labour migration flows, migrants' working conditions in destination countries, and the implications of the non-payment of wages. It is also examining the flow of remittances and implications for Pakistan's economy, the welfare of families dependent on remittances, return migration in case of layoffs, and emerging opportunities and labour demands as a result of the pandemic.

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Support migrant workers through Pakistan's Embassies abroad, raising their awareness of COVID-19 to ensure their health and protection, and engaging with partner countries to keep them safe.
- Engage with the Pakistan Overseas Employment Promoters Association (POEPA) and the Pakistan Workers' Federation to assess the needs of the 50,000–60,000 migrant workers who could not travel overseas due to travel restrictions.

Medium and long-term measures

- Monitor the effects of COVID-19 on labour migration from Pakistan.
- Engage with the Pakistan Employers' Federation and Workers' Federation to develop a strategy to reintegrate returning migrants into the domestic labour market.

IMPACT ON CHILDREN AT WORK, REFUGEES AND STATELESS PERSONS, WOMEN AND WOMEN HOME-BASED WORKERS

In crises where adults are unable to work, the incidence of child labour increases. The COVID-19 pandemic is likely to be a case in point, especially given the false belief that children are not, or are less, affected by the virus. Children at risk include: those working to supplement family income during the lockdown; children used to bypass curfews as they are less visible to law enforcement; children made to run errands and fetch or distribute household supplies; children in domestic work, including those subject to excessive work at home; children used as caregivers for younger children and the sick; and children trapped in hazardous workplaces, including factories, brick kilns and farms.

As most of the 1.4 million Afghan refugees in Pakistan live multi-dimensionally poor areas – 58% in Khyber Pakhtunkhwa and 23% in Balochistan⁵⁴ – a high proportion are affected by the pandemic. This is especially true for the 72,000 refugees with medical conditions, those who are single parents, or are children, adolescents, older persons or women at risk.

The pandemic will also take a severe toll on women workers, who are concentrated in the agricultural sector as paid or unpaid workers. Many women, including domestic workers and those employed by MSMEs, may be laid off as employers are increasingly unable to pay their wages.⁵⁵ While public sector teachers continue to receive salaries, the income of teachers in low-cost private schools may be reduced or delayed. Many may be laid off if school administrations are unable to keep up with payments while schools remain closed. This will further reduce women's labour force participation. Limited mobility during the lockdown may prevent women from getting to work, increasing absenteeism and wage loss.⁵⁶

⁵⁴ Khyber Pakhtunkhwa's MPI value is 0.250, and Balochistan's MPI value is 0.394.

⁵⁵ Wenham, Clare, Julia Smith and Rosemary Morgan (2020) 'COVID-19: The gendered impacts of the outbreak', *The Lancet*, vol. 395, no. 10227, pp. 846–848.

⁵⁶ CARE International (2020) *Gender Implications of COVID-19 Outbreaks in Development and Humanitarian Settings*, 16 March 2020, <https://reliefweb.int/report/world/gender-implications-COVID-19-outbreaks-development-and-humanitarian-settings>.

Vulnerable woman-headed households (13% of the households in Pakistan)⁵⁷, both urban and rural, are at particular risk of poverty, hunger and disease.

Pakistan's 12 million women home-based workers are faced with reduced demand and labour supply hours, coupled with a lack of income security and social protection – making them among the most vulnerable workers in the country. Similarly, women in the agricultural and livestock sectors face underpayment, a lack of payment, unsafe working conditions and the absence of PPE, including in sectors that use pesticides, such as cotton production. The pandemic has limited access to vital off-farm work opportunities for these women. As noted above, women home-based and domestic workers are also at risk of gender-based violence.

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Protect working children and those vulnerable to child labour, including through mass media education (e.g. dedicated radio and television channels, dedicated timeslots in mass communication channels, etc.) and community awareness raising on the negative effects of engaging children to replace adults at work. Plan mechanisms for the distribution of essential supplies in a way that minimizes children's exposure.
- Include refugees in government and partners' responses to the pandemic, especially highly vulnerable refugee households, through *Ehsaas* emergency cash transfers.
- Provide personal protective equipment to men and women working in vulnerable sectors (e.g. agricultural sectors that use pesticides, manufacturing, services, etc.).
- Identify and support woman-headed households using *Ehsaas* and BISP data.
- Provide income support for home-based workers and build market linkages for to enable them to sell their products from home.
- Focus on economic recovery solutions that support women-led MSMEs.
- Provide targeted financial assistance through micro-finance institutions (e.g. interest free loans and/or cash transfers) for micro-businesses led by women.
- Engage with religious and community leaders to promote women's paid participation in agriculture.

Medium and long-term measures

- Review the list of hazardous work for children to include COVID-19, if the risk of infection continues, to protect them from hazards.
- Focus on mitigating the spike in unemployment and bringing people, especially women, back to work. Introduce a workforce support programme to train women workers, upgrade their skills and prospects for employment. Encourage women's participation with a conditional cash transfer equivalent to the BISP amount.

IMPACT ON MSMEs AND ENTREPRENEURSHIP

⁵⁷ National Institute of Population Studies (2018) *Pakistan Demographic and Health Survey (PDHS) 2017–18*, Islamabad: NIPS

MSMEs are likely to be the worst hit by COVID-19^{58 59} – a major challenge as they account for most of the enterprises in Pakistan. With business at a standstill, they will struggle to comply with directives to retain employees during the lockdown. Special risks exist for women-led businesses, which are already few and far between, as they are less resilient to shocks. Closures will drive up unemployment among workers, a significant proportion of whom are women. MSMEs face several challenges to restarting their businesses:

- There is a high degree of uncertainty for all aspects of business, especially as the movement of people and goods may be restricted further to stem COVID-19's spread.
- The economy is expected to become extremely cash-constrained due to uncertainties about demand for MSMEs' products and their ability to deliver products to the market. While incomes fall or evaporate, expenses for labour, energy, rent and inputs remain.
- Manpower will be a constraint. Many MSME workers have migrated back to rural areas. It will be difficult to convince them to return or to hire new staff. High staff turnover will likely reduce productivity and quality, adding to financial concerns.
- Machinery, stocks of raw materials, work in progress and final products may have degraded since the lockdown began. MSMEs will need to clean out wasted stocks and conduct maintenance before they can reopen, at significant cost and with write-offs.
- MSMEs that depend on inputs from other areas/countries may face supply shortages.

Initial analysis by UNIDO⁶⁰ indicates that COVID-19 is affecting production and employment among key SME clusters. These include the ready-made garments, footwear and auto-parts clusters in Lahore, and the surgical and leather clusters in Sialkot, Punjab. The transport and tourism sectors are also severely affected. While local tourism had been growing, its peak season in northern Pakistan (June–August) is likely to suffer in 2020.

Youth-led enterprises are struggling to survive as demand drops and supply chains are disrupted. A survey in Asia and the Pacific indicates that one-third of youth-led enterprises have had to lay off staff and one-quarter have reduced wages.⁶¹ Vulnerable entrepreneurs include 'gig' or 'platform economy' workers⁶², particularly those in transport (Uber and Careem), delivery (Bykea)⁶³ and domestic work (Mauqa, Ghar Par). While no clear numbers are available, there are tens of thousands of drivers and riders engaged with ridesharing and delivery platforms.⁶⁴ Digital gig economy platforms treat workers as independent contractors, washing their hands of any responsibility to their workers. While many gig workers are losing income, those working in food delivery – which is permitted to continue during the lockdown – for platforms like Food Panda are on the frontlines of the crisis. They are, in a sense, providing essential services without any protection against the risk of infection.

⁵⁸ The enterprise level analysis is based on the Pakistan Bureau of Statistics, *2005 Census of Economic Establishments*, SMEDA, *State of SMEs in Pakistan*, and UNIDO, *Impact of COVID-19 on SMEs in Pakistan*.

⁵⁹ UNESCAP, *The Impact and Policy Responses for COVID-19 in Asia and the Pacific*, April 2020, <https://www.unescap.org/resources/impact-and-policy-responses-COVID-19-asia-and-pacific>

⁶⁰ United Nations Industrial Development Organization (2020) *Impact of COVID-19 on SMEs in Pakistan*, Islamabad: UNIDO.

⁶¹ These results are based on a [rapid survey](#) of 410 young entrepreneurs in 18 countries and a range of sectors by the Youth Co:Lab.

⁶² The platform economy distinguishes between: (i) crowd work, performed online and location independent (e.g. software development, data entry, translation, etc.) Examples include Upwork, Fiverr and Freelancer, and (ii) work on demand via apps that matches the worker and client digitally, and work is performed locally (e.g. transportation, delivery and home services). Major platforms include Uber, Careem and Food Panda.

⁶³ 30,000 daily wage earners work for Bykea. It has launched a PKR 7 million relief fund for its drivers affected by COVID-19.

⁶⁴ The Online Labour Index provides gig economy statistics equivalent to conventional labour market statistics. It measures the supply and demand of online freelance labour across countries and occupations by tracking the number of projects/tasks across platforms in real time.

Opportunities: Local production of personal protective and medical equipment

The Government announced that it will support the production of protective personal equipment, which is in high demand and short supply. Several local producers have expressed an interest in producing face masks (N-95) and PPE kits. Working with development partners like UNIDO, the Government can engage and train local businesses to produce PPE and medical equipment, such as ventilators, as recommended below. 80% of people with Covid-19 recover without hospital treatment. but among the remaining 20%, one person in six requires a ventilator, according to WHO.

RECOMMENDED RESPONSE MEASURES

While protecting workers and their families from COVID-19 must be our priority, demand-side measures are also needed to protect MSMEs and entrepreneurs from a loss of income, and to facilitate businesses to restart once the crisis stabilizes. Pakistan needs a balance between safeguarding lives and safeguarding livelihoods.⁶⁵

Short-term measures

- Provide support for SMEs, especially women-led enterprises, which employ a large number of workers (e.g. short-term credit, tax breaks, subsidies, etc.). Encourage SMEs to consider options to reduce or defer non-essential expenses (e.g. reducing stocks, deferring investments), secure income (e.g. outstanding dues from buyers, particularly the public sector) and access working capital (e.g. through low-interest loans, savings, and the State Bank of Pakistan's financial support programme).
- Help SMEDA develop recommendations on supporting SMEs, based on its research.⁶⁶
- Support women-led micro enterprises with short-term credit, tax breaks and subsidies.
- Explore legal and financial options for granting paid leave to regular and casual paid employees, in order to improve retention.⁶⁷
- Address the adverse impact of COVID-19 on the income of Uber/Careem drivers, Bykea workers, and domestic and maintenance workers that work for other 'gig' platforms.
- Work with development partners like UNIDO on a rapid PPE sector/product assessment. Develop guidelines and SOPs for the local production of PPE. Facilitate certification with compliance requirements and define the Government's support package for producers.
- Initiate tripartite social dialogue at the federal and provincial levels to develop sustainable solutions to workplace challenges and economic recovery.⁶⁸
- Promote collaboration and advocate with formal financial institutions to improve access to financial relief for women entrepreneurs affected by COVID-19.

⁶⁵ Smith, Sven et al. (2020), 'Safeguarding our lives and our livelihoods: The imperative of our time', <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/safeguarding-our-lives-and-our-livelihoods-the-imperative-of-our-time>; Sneader, Kevin and Shubham Singham (2020), 'Beyond coronavirus: The path to the next normal', March 2020, McKinsey, <https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/beyond-coronavirus-the-path-to-the-next-normal>

⁶⁶ SMEDA (2020) *Coronavirus (COVID-19) Impact on SMEs in Pakistan*, Lahore: SMEDA. https://smeda.org/index.php?option=com_content&view=article&id=584:smeda-s-survey-on-impact-of-covid-19-coronavirus-on-smes&catid=56&Itemid=258

⁶⁷ On 23 March 2020, the Government of Sindh ordered that, no worker will be laid off and all workers will be paid in full by their employers during the lockdown. On the same day, the Government of Balochistan ordered that all private entities must pay at least the minimum wage (PKR 17,500) to workers (permanent, contract, daily wage or piece rate workers) regularly and in full.

⁶⁸ The Employers' Federation of Pakistan and the Pakistan Workers' Federation have issued a joint declaration calling for the creation of a special tripartite taskforce in each province for consultations on collective action and the implementation of economic recovery plans.

- Promote social dialogue in workplaces to manage a safe, structured return to work.
- Protect employees by offering incentives for employers.⁶⁹

Medium and long-term measures

- Create a network of universities, laboratories and manufacturers, and build their capacity (training, technology transfer) to localize a new ventilator design and produce ventilators.
- Expand social protection coverage, especially for informal MSME workers. Revisit the Labour Welfare and Social Protection Expert Group's recommendations for guidance.
- Collect and analyse data on COVID-19's impact on MSMEs and their workers. Support the Pakistan Bureau of Statistics to conduct regular surveys of enterprises every two years to inform the design of responsive policies.
- Map women-led suppliers and engage with them to understand the support they need (e.g. shortened payment terms for smaller suppliers).
- Study the multiple impacts of COVID-19 on SMEs⁷⁰, including on exports, domestic producers, investment, employment and poverty. Use this analysis to devise policy measures to sustain SMEs and protect employment in the sector.
- Strengthen the functions of SMEDA to effectively implement a robust MSME policy.
- Finalize the draft *SME Policy 2019* in light of COVID-19's impact on MSMEs.

TECHNICAL AND VOCATIONAL EDUCATION AND TRAINING (TVET)

All Pakistani TVET institutes were closed in March 2020 in response to COVID-19. As they will remain closed until 15 July, according to media reports, the Executive Director of the National Vocational and Technical Training Commission (NAVTTTC) has called for alternative approaches. These include distance learning using digital technologies to mitigate the vulnerability of youths who are already unemployed, and of returning migrants.⁷¹

In some countries, TVET institutions are working to support crisis response. Work-based learning is being maintained in very few countries. Linkages between TVET and manufacturing are emerging as TVET workshops in developing countries are used to manufacture personal protective equipment and hand sanitizer, or to 3D print medical devices. However, most TVET centres are struggling to operate, maintain communications with and between teachers and learners, and provide services without face-to-face classes.

Despite advances in technology, distance learning – be it online or offline – is not a long-term substitute for face-to-face teaching and practical skills training. In Pakistan, many issues impede the wide, permanent diffusion of distance learning, including socio-economic constraints and limited ICT infrastructure that contributes to the digital divide. While new solutions for teaching and learning may bring much-needed

⁶⁹ The President of the Employers' Federation of Pakistan has suggested: allowing individual enterprises to set up an Emergency Fund that includes the amount due to employees as their bonus for the current year, the amount due to be distributed by the Workers' Profit Participation Fund for the year, and 2% of the profit payable from the Workers' Welfare Fund; suspending the amount due to PESSIs and EOBI as monthly contributions, and transferring this to the Emergency Fund; and adjusting employees' leave balances for this and next year's leave entitlement.

⁷⁰ United Nations Industrial Development Organization (2020) *Impact of COVID-19 on SMEs in Pakistan*, Islamabad: UNIDO.

⁷¹ 'Redesigning of TVET sector stressed', 7 May 2020, *The News*, <https://www.thenews.com.pk/print/655243-redesigning-of-tvet-sector-stressed>

innovation to education and training systems, the shifts we are seeing have the potential to exacerbate existing inequalities for those already disadvantaged in their access to learning.

RECOMMENDED RESPONSE MEASURES

It is vital to rethink Pakistan's TVET system, making it stronger and more resilient. Pakistan needs measures now, and in the months ahead, to ensure that the shift to distance learning meets immediate learning needs, and sets the stage for effective TVET and skills systems.

Short-term measures

- Improve internet infrastructure and access to the internet.
- Expand access for learners to online digital application and platforms.
- Use inclusive digital and analogue technologies for distance learning.
- Support teachers and trainers to operate in the new environment.

Medium to long-term measures

- Provide support, career guidance and digital skills development for TVET learners. Develop their eLearning capacities to meet local and foreign market demands.
- Increase distance and short course learning options on core, entrepreneurial and employability skills for vulnerable groups and individuals.
- Strengthen systems for the recognition, validation and certification of digital learning.
- Increase investments in digital solutions for practical skills development.
- Improve social dialogue among TVET institutions, job services and local authorities.
- Enhance partnerships between local, regional and international TVET networks to share best practices and explore long term socio-economic solutions.
- Develop quality eLearning content and translate materials to meet local needs.

PILLAR 4.

MACROECONOMIC RESPONSE AND MULTILATERAL COLLABORATION

COVID-19 has disrupted businesses and trade worldwide. No country will be able to exit this crisis alone. Governments, the private sector, civil society and development partners at the sub-national, national, regional and global levels must work together to overcome these challenges. This unprecedented crisis requires unprecedented measures: a massive counter-cyclical, multilateral fiscal and financial response, equivalent to 10% of global GDP.

IMPACT ON MACROECONOMIC FACTORS

The Government of Pakistan has prepared a macroeconomic assessment of COVID-19 with inputs from the IMF and the World Bank. This summary of government data highlights that the pandemic is expected to have a major impact on key macroeconomic indicators.

Poverty: The ‘Cost of Basic Needs’ approach indicates that 24.3% of Pakistan’s population is poor, while the Multidimensional Poverty Index (MPI) estimates that 38.8% of Pakistanis are multi-dimensionally poor.⁷² As both approaches are based on micro data from the latest *Household Integrated Economic Survey 2015–16*, these figures are not up-to-date.

The pandemic’s socio-economic impact is likely to increase poverty. Consumer Price Index data reveals that inflation rose to 8.5% in April 2020, up from 8.3% in April 2019. Food inflation grew by 2–3% in the same period – rising to 10.4% in urban areas in April 2020 (up from 8.3%) and to 12.8% in rural areas (up from 9.3%).⁷³ The lockdown’s restrictions on mobility and economic activity, coupled with food price inflation, will reduce the purchasing power of vulnerable groups, particularly daily wage workers. This will limit their ability to buy goods and services to meet their basic needs. With no other source of income, those living on or slightly above the poverty line are likely to sell off their assets to make ends meet.

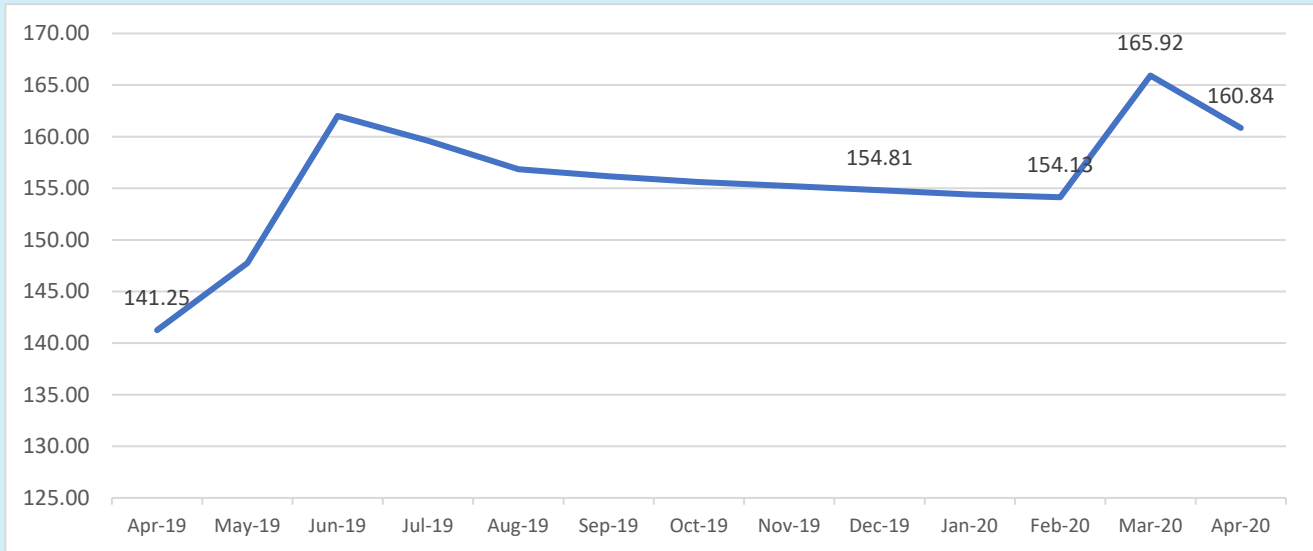
Exchange rates and monetary value: The exchange rate of Pakistani Rupees to United States Dollars rose by 13.8% between April 2019 and April 2020 – from PKR 141.2 to PKR 160.8 per US\$. While the exchange rate had been rising in recent years, upward pressure slowed in December 2019, as shown in the figure below.⁷⁴ However, in the aftermath of COVID-19 between February and March 2020, the Rupee has experienced devaluation.

⁷² Planning Commission of Pakistan (2016) *National Poverty Report 2015-16*, Islamabad: Government of Pakistan; Government of Pakistan, UNDP and OPHI (2016) *Multidimensional Poverty in Pakistan*, Islamabad: UNDP.

⁷³ State Bank of Pakistan (2020) *Inflation Monitor Report March 2020*, Islamabad: SBP.

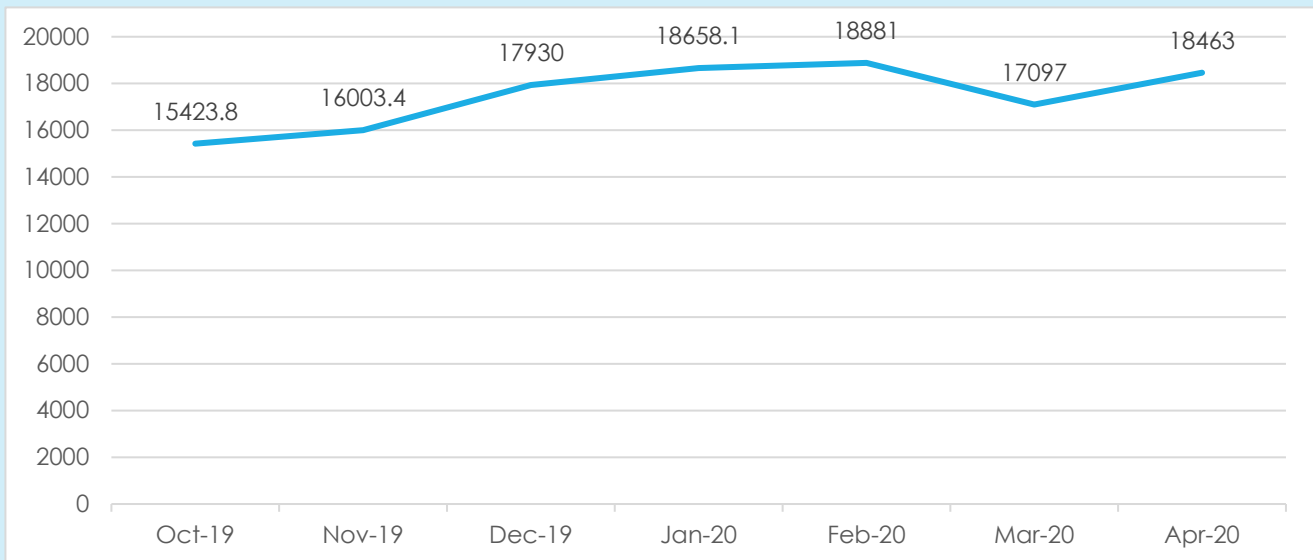
⁷⁴ State Bank of Pakistan (2020) *Exchange rate data: Historical to current date*, Islamabad: SBP.

Figure 1. Current exchange rate (PKR per US\$), April 2020



Foreign exchange reserves: While Pakistan’s foreign currency reserves had been gradually increasing, they took a dip in February, when the country reported its first case of COVID-19. They fell by 9.4%, from US\$18.8 billion at the end of February to US\$17.1 billion by the end of March. Reserves rose by 8% by 24 April (US\$18.4 billion).⁷⁵ Overall, Pakistan experienced a 2.2% decline in foreign currency reserves between February and April 2020.

Figure 2. Foreign currency reserves, April 2020



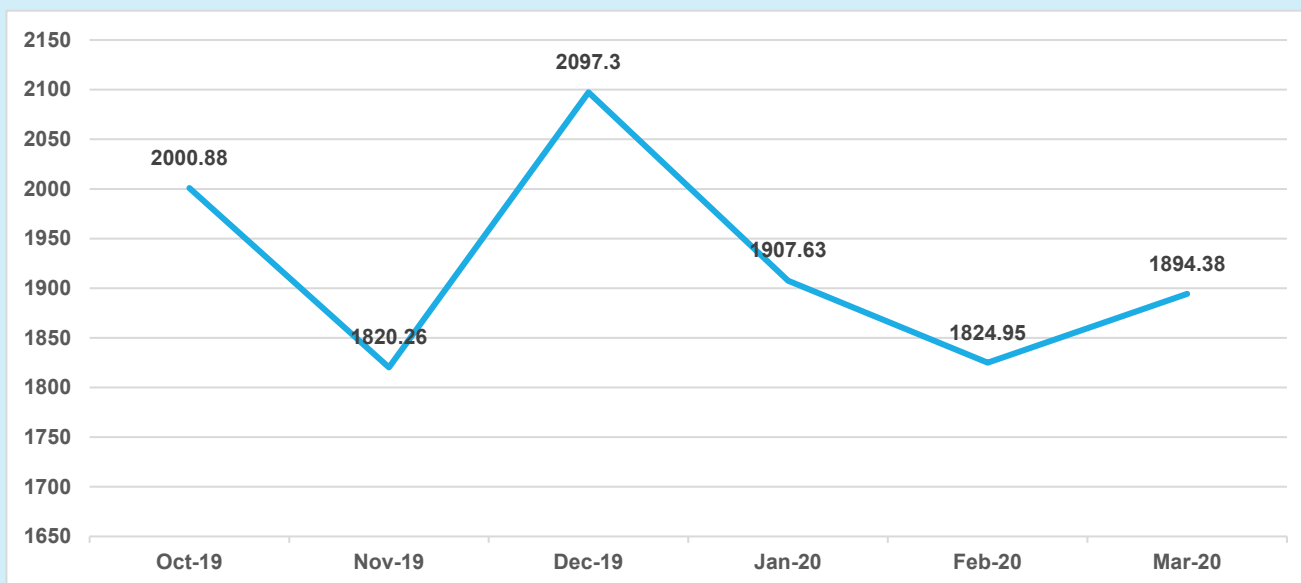
Note: The value for April is until the end of the week of 24 April 2020. The other values are until the end of each month.

Remittances: From US\$2.1 billion in December 2019, remittances dropped by 10% by March 2020. This may be due to COVID-19 lockdowns in several countries which have slowed the global economy,

⁷⁵ Ibid.

prompting mass downsizing, business closures and unemployment. Foreign remittances improved slightly (by 4%) between February and March.

Figure 3. Foreign remittances (US\$ million), March 2020



Balance of payments, including trade: Pakistan’s balance of payments had been improving (declining from US\$18,859 in CY2018 to US\$7,143 in CY2019), but have worsened post-COVID-19. The current account deficit rose from US\$540 million in the fourth quarter of CY2019, to US\$736 million in the first quarter of CY2020.⁷⁶ Exports and imports declined compared to 2019, when monthly exports from April to December fluctuated between US\$2.3–1.7 billion and imports between US\$4.44–3.3 billion. The balance of trade decreased by 10% from December 2019 to March 2020, and exports fell more sharply (by 10%) than imports (by 7%) from February to March 2020. Exports declined from US\$1.993 billion to US\$1.818 billion, and imports from US\$3.563 billion to US\$3.335 billion.⁷⁷

Interest rate: Pakistan’s policy rate has been cut by a further 200 basis points, to 9%, to address the slowdown in global and domestic economic activity. In a single month, from March to April 2020, interest was cut by 4.25%.⁷⁸

Debt financing: The Government’s domestic debt servicing increased from PKR 1.832 trillion in February 2019 to PKR 22.189 trillion in February 2020. This may not be completely due to COVID-19, since its effects did not become pronounced in Pakistan until 2020.⁷⁹

Public sector revenue: Public sector revenue collection is expected to decrease due to the slowdown in Pakistan’s economy, with a low to zero growth scenario. The Federal Board of Revenue expects a reduction of PKR 380 billion for its (revised) target, projecting collection of PKR 4.4 trillion until June 2020, according to the Government’s report on COVID-19’s impact of 2 April 2020.⁸⁰ A 20% decrease in the consumption of diesel and petrol due to the disruption of transportation is projected to cause major losses for revenue collection, exacerbated by the lowest-ever prices of petroleum products on the international

⁷⁶ State Bank of Pakistan (2020) *Summary Balance of Payments as per BPM6, March 2020*, Islamabad: SBP.

⁷⁷ State Bank of Pakistan (2020) *Exports, Imports and Balance of Trade: Monthly data*, Islamabad: SBP.

⁷⁸ Ministry of Finance (2020) *Economic Updates, April 2020*, http://www.finance.gov.pk/economic/economic_updates_april_2020.pdf

⁷⁹ State Bank of Pakistan (2020) *Government Domestic Debt and Liabilities as of April 07 2020*, Islamabad: SBP.

⁸⁰ Haider, Mehtab (2020), ‘Pakistan economy to lose 2.5 trillion due to coronavirus: Report’, Geo TV, 7 April 2020, <https://www.geo.tv/latest/280697-pakistan-economy-to-loose-25-trillion-due-to-coronavirus-report>

market.⁸¹ However, the fall in oil prices may prove positive for Pakistan by reducing the current account deficit and easing inflationary pressure.

Impact on public sector spending: By 30 April 2020, the Government authorized the Planning Commission to release 76.1% of *Public Sector Development Programme* (PSDP) funds (PKR 533.3 billion) against an approved budget of PKR 701 billion for 2019–20.⁸² The Finance Ministry’s mid-term review reveals that PSDP utilization was only 24% (PKR 167 billion) of the approved budget from July to December 2019.⁸³

Any other macroeconomic aspect: The magnitude of economic losses will depend on the intensity and duration of the pandemic. As discussed above, the Government is tackling COVID-19’s immediate impact on the economy, unemployment and inflation through its stimulus package of PKR 1.24 trillion. The business community is benefiting from a package of PKR 480 billion, while PKR 570 billion has been designated for citizens and PKR 190 billion for emergency response. The flexibility offered by the State Bank’s *Refinance Facility for Combating COVID-19* (RFCC) and *Refinance Scheme for the Payment of Wages and Salaries* is expected to address some health sector and employment concerns.

IMPACT ON MULTILATERAL AND REGIONAL COORDINATION, TRADE POLICY AND CONNECTIVITY

COVID-19’s effects transcend national boundaries. World merchandise trade could fall by 12–32% in 2020. While this is largely a reflection, and not a cause, of economic contraction, rising trade costs – due to trade restrictions and disruptions in transport, logistics and supply chains – account for an estimated one-third of the decline in global trade.⁸⁴ Moreover, trade costs multiply along the supply chain as production stages are based in different countries. Travel restrictions, social distancing, border closures, and disruptions in the services on which trade depends – logistics, transport, customs and border procedures – are affecting the demand and supply of goods, causing delays, and increasing the costs of trade.

The impact on trade will also depend on the trade policy environment. The pandemic is expected to lead to major structural changes in the global economy and trade patterns. Many countries are expected to revive the production of essential goods to reduce their dependence on foreign suppliers. Global value chains are likely to be restructured to revive domestic production, diversify suppliers and reduce risks. However, if trade is distorted or restricted beyond current emergency measures, the outlook will deteriorate.

Regional and multilateral cooperation will be vital to address economic challenges and ‘recover better’. As the UN Secretary-General’s report puts it, “a large-scale, coordinated and comprehensive multilateral response is needed now more than ever.”⁸⁵ COVID-19 is a global problem that requires a global solution. Analysts need to think outside the box and policy-makers must take decisive action at the national, regional and multilateral levels.

⁸¹ Haider, Mehtab (2020) ‘Economic consequences of COVID-19’, *The News*, <https://www.thenews.com.pk/magazine/money-matters/632994-economic-consequences-of-covid-19>

⁸² Ministry of Planning, Development & Reform, ‘PSDP 2019-20: Status of Authorization as of 30-04-2020’, Islamabad: Government of Pakistan, [https://www.pc.gov.pk/uploads/archives/Authorization_Summary_2019-20\(30-04-2020\).pdf](https://www.pc.gov.pk/uploads/archives/Authorization_Summary_2019-20(30-04-2020).pdf)

⁸³ Rana, Shahbaz (2020) ‘PSDP spending to remain 14% less than budget’, *The Express Tribune*, 12 March 2020, <https://tribune.com.pk/story/2174288/2-psdp-spending-remain-14-less-budget>

⁸⁴ World Trade Organization (2020) ‘Trade forecast press conference: Remarks by DG Roberto Azevêdo’, *Press Release*, 8 April 2020, WTO.

⁸⁵ United Nations (2020) *Shared Responsibility, Global Responsibility: Responding to the socio-economic impacts of COVID-19*, Report of the UN Secretary-General, March 2020, New York: UN, https://www.un.org/sites/un2.un.org/files/sg_report_socio-economic_impact_of_covid19.pdf

What do we need?

- **Coordinated trade policies to lower the cost of fighting COVID-19 and set the scene for a rapid economic recovery.** Trade policies matter. As the UN Secretary-General's report recommends, any policy to fight COVID-19 should do no harm to others. Trade policy measures that affect supply chains and connectivity need to be coordinated and harmonized across regions, especially those targeting production and access to priority products.
- **Improved connectivity and the cost of doing business.** Restoring supply chains and facilitating trade is important, especially for MSMEs whose trade costs represent a bigger share of their income. Efficient customs procedures particularly help smaller firms, given their limited administrative capacity and resources. We need measures to streamline trade procedures and facilitate trade at borders to expedite the movement and clearance of goods, and the exchange of services. Regional and multilateral coordination is needed to set up fast-track customs procedures for importing priority products, such as medical and food supplies.
- **Accelerated digitization of trade processes to create opportunities for MSMEs.** This can lower trade costs, mitigate supply chain disruptions, help MSMEs tap into networks of global buyers/suppliers and manage end-to-end interactions more easily. Supporting digital solutions (e.g. online payments, the exchange of trade documentation) will make them more resilient.
- **International and national quality standards.** Complying with standards inspires confidence in MSMEs, drives down costs, boosts productivity and profits, builds resilience and reduces risks. MSMEs with well-functioning supply chains and quality management systems will find it easier to innovate, adapt and bounce back. Standards developed by the International Organization for Standardization can be useful for MSMEs in the current crisis.
- **Regional monetary coordination and financial stability measures.** To avoid beggar-thy-neighbour policies, countries should coordinate with each other throughout the phases of this crisis. We must assess the potential contribution of regional financial architectures and how they can complement multilateral institutions mobilized to support fiscal stimulus.

RECOMMENDED RESPONSE MEASURES

Our short-term objective must be to mitigate the health crisis and address procedural and regulatory obstacles – including emergency measures – along the import and export flows of priority sectors, while extending support to MSMEs. In the medium- to long-term, the objective is to ease COVID-19's economic impact through business and policy support to strengthen regional and global supply chains, and build preparedness for trade disruptions.

Short-term measures

- Apply special trade facilitation measures for priority products. Prepare technical recommendations and seek support to implement these measures, including the provisions of the World Trade Organization's *Trade Facilitation Agreement*⁸⁶ (e.g. streamlined risk management, sector-specific authorised operator schemes and expedited shipment measures on all air cargo containing priority goods).
- Build capacity on emergency border processes. Develop and deliver training to border officials on how to conduct inspections in pandemics and on the classification of medical goods/pharmaceuticals for the COVID-19 response.

⁸⁶ The International Trade Centre's (ITC) Trade Facilitation Programme supports the implementation of the World Trade Organization's trade facilitation measures across its programmes.

- Provide clear information on export, import and transit procedures through online trade facilitation portals to make these procedures transparent for traders. Disseminate information on all import/export procedures for medical and pharmaceutical products.
- Prepare forecasts and COVID-19 impact scenarios for specific sectors/trade flows to help policy-makers and businesses design and implement measures to respond and take advantage of emerging trade opportunities.
- Build the capacity building of traders through online learning and access to tools and support mechanisms needed to develop well-integrated, flexible supply chains.

Medium and long-term measures

- Strengthen trade cooperation and coordination. Support business communities to devise mechanisms to prevent, and coordinate during, disruptions to internal and external trade flows.⁸⁷ Deepen trade relations to build supply chains' resilience and predictability.
- Facilitate cross-border e-commerce. Design and implement regulatory frameworks for e-commerce that strike a balance between global best practices and local realities.
- Create online platforms for public-private cooperation (e.g. National Trade Facilitation Committee) to support engagement. Monitor cross-border trade reforms.
- Adopt a public-policy dialogue and export-oriented approach for trade policy formulation to adjust to demand shocks (e.g. higher demand for food products and lower demand for textiles), supply constraints (e.g. access to inputs and labour) and new trade realities.
- Employ online MSME training solutions to build capacity and preparedness for future crises (e.g. the SME Trade Academy's online platform of free courses customized to meet learners needs in terms of devices, infrastructure and literacy levels).⁸⁸
- Support e-commerce, which has emerged as one of the key alternatives for retailers during lockdown. Develop rules and regulation to smoothly regulate online activities and protect consumers as e-commerce use accelerates, drawing on and refining the Government's approved e-commerce policy (2019) and the e-commerce strategy being prepared by the Ministry of Commerce. Expedite this strategy's approval and implementation, in coordination with provincial governments.

⁸⁷ ITC regional programmes where this is applied already include MARKUP in the East African Community and R4TCA in Central Asia

⁸⁸ The academy, for example, is currently providing in-depth (100 hours) entrepreneurship training to 6,600 enrollees in Libya, having continued to operate uninterrupted throughout the recent siege of Tripoli. It is also supporting refugees in Kenya through the RESI project which offers basic business courses accessible via mobile phones.

PILLAR 5.

SOCIAL COHESION AND COMMUNITY RESILIENCE

COVID-19 will test social cohesion and community resilience. It is important to consider three key aspects of the citizen-state relationship to inform the Government's response to this crisis: (i) political engagement, social inclusion and dialogue, (ii) community empowerment and participation, and (iii) governance and the rule of law, including communication and emergency preparedness.

IMPACT ON POLITICAL ENGAGEMENT AND CITIZEN-STATE DIALOGUE

Social dialogue and political engagement have helped governments worldwide to respond to COVID-19. Local governments are at the forefront of the crisis as they are closest to communities, working with locals and health workers to quell outbreaks and maintain public services. City governments are actively coordinating with public entities and NGOs to plan and deliver emergency measures, from health care to relief goods, information and services.

Local governments in Pakistan: In Balochistan, Khyber Pakhtunkhwa and Punjab, elected local governments have completed their tenure. Functional local governments are only in place in Sindh and Islamabad Capital Territory, with elected councillors, mayors and executive functionaries. Local Government Acts and Bills in Balochistan (2010), Punjab (2010), Sindh (2013), Islamabad (2015) and Khyber Pakhtunkhwa (2019) outline the functions and responsibilities of this tier of government. They affirm that local governments in Pakistan have a constitutional mandate to play an active role in emergency response. One of their functions is to: *“assist in [the] provision of relief in the event of any fire, flood, hailstorm, earthquake, epidemic or other natural calamity and assist relevant authorities in relief activities”*⁸⁹ and in *“emergency planning and relief”*.⁹⁰

In the absence of local governments in Balochistan, Khyber Pakhtunkhwa and Punjab, district administration, provincial relief departments and Provincial Disaster Management Authorities (PDMAs) are leading the COVID-19 response. They are implementing decisions, policies and orders issued by Pakistan's federal and provincial governments on health, security and relief. As these are not localized to each community's context, citizens worry that their voices are not being heard in response efforts. Pakistan's current lack of local governments deprives it of an effective bridge between citizens and the state – a powerful means of building citizens' trust in official decisions. Other tiers of government are more disconnected from communities. Without local governments as intermediaries, a top-down governance approach weakens the citizen-state social contract and social resilience, risks neglecting local voices, and increases the risk of marginalization and grievances. Pakistan requires an inclusive local government system to respond to emergencies like COVID-19.

⁸⁹ Islamabad Capital Territory Local Government Act 2015, Third Schedule (e).

⁹⁰ Government of Punjab (2019) Punjab Local Government Act 2019, Third Schedule (section 21), 'Functions of a Metropolitan Corporation, Municipal Corporation and Municipal Committee (e)', Fourth Schedule (section 21) 'Functions of a Town Committee' (m), and Fifth Schedule (section 21) 'Functions of a Tehsil Council (q)'.

IMPACT ON COMMUNITY EMPOWERMENT, PARTICIPATION AND INCLUSION

Civil society has come out in force to aid Pakistan's COVID-19 response, including NGOs, local charities, philanthropic organizations, the social wings of political parties, volunteer groups and individuals. Some are operating in isolation, others are working with government institutions. As local CSOs are important conduits for dialogue with communities, they must be engaged as key partners in Pakistan's COVID-19 response – to ensure that local grievances are addressed and vulnerable groups' needs are met. The capacity of existing networks in marginalized communities needs to be assessed, to support them to provide relief and pass on information about, and to, those in need. Other key partners include medical associations, whose participation will help the response address health workers' concerns, including the need for personal protective equipment and an efficient testing and tracking system. Trade and business associations are also vital as channels for dialogue between the state and businesses dissatisfied with decisions on the lockdown.

In the medium term, there is a need for in-depth analysis of at-risk areas and groups with pre-existing grievances to guide support and engagement, preferably through local government structures. In the past, this citizen-state disconnect has often been exploited by violent extremists to recruit supporters among marginalized groups.

IMPACT ON GOVERNANCE AND THE RULE OF LAW: COMMUNICATION AND EMERGENCY PREPAREDNESS

Communication is key for the COVID-19 response, including formulating and communicating critical messages. The 'COVID-19 awareness message in Pakistan', which has replaced all general and personalized ringtones on mobile phones, is an example of a good communications decision. Harnessing the power of technology, Pakistan's federal and provincial governments have launched digital/social media initiatives to reach out to citizens with real-time information on the pandemic. However, Pakistan's online resources, portals and websites on the pandemic need to be improved.⁹¹ It is vital to bridge the information gap between people and the Government. Local governments, where these exist (Sindh and Islamabad Capital Territory), can help bridge this gap by localizing messages.

Public action can mitigate the impact of crises, as past experiences of SARS in 2003 and Ebola in 2014 show. Mechanisms for citizen's participation (local community organizations) can be mobilized to work with local state agencies. Religious leaders can also play a part, as their support helps spread awareness, especially in remote and vulnerable communities.

A major challenge in Pakistan is a lack of local level coordination, direction and accessible information on the pandemic. There is an urgent need for coordination mechanisms within the government, and platforms for coordination between governmental and non-governmental stakeholders, to make the COVID-19 response effective. Roles need to be clearly divided between national and local governments: clarity is needed on who is doing what, who is making decisions, and who is controlling resources. This will enable local governments to develop responses in line with national priorities. Although Pakistan has a *National Disaster Management Plan*, this crisis demonstrates that local governments also require strong emergency management systems (District Disaster Management Authorities) to identify vulnerable groups and

⁹¹ See: <http://www.kmc.gos.pk/UnderConstruction.aspx>, <https://mci.gov.pk>, <https://www.facebook.com/KarachiMayor>, <https://www.facebook.com/SheikhAnserAziz>

respond to challenges quickly. They also need their own adequate revenue, or smooth central transfers to rapidly mobilize funds.

RECOMMENDED RESPONSE MEASURES

Short-term measures

- Eliminate institutional overlaps by clearly delineating the roles and responsibilities of national, sub-national and local governments in the *COVID-19 National Action Plan*.
- Enhance emergency preparedness in collaboration with PDMAs, including by reinstating and operationalizing District Disaster Management Authorities.
- Encourage integration by collaborating with local governments, learning from their experiences and helping them build citizens' confidence in the COVID-19 response.
- Empower citizens and ensure their participation by providing credible, accountable and responsive platforms/mechanisms for sharing their feedback and grievances.
- Engage community leaders (e.g. former local councillors, youth and women leaders, religious leaders, etc.) to engage locals in the Government's COVID-19 response.
- Include civil society organizations in the COVID-19 response by promoting policy, regulatory and financial reforms (e.g. a unified policy for CSOs' registration, functioning and fundraising, tax-rebates on their charitable activities, etc.).

Medium and long-term measures

- Reinforce local networks (e.g. local governments, CSOs, media platforms, etc.) to ensure the protection of vulnerable groups.
- Build citizens' trust in the state, its governance and delivery structures (i.e. local governments) by establishing fast, efficient communication mechanisms (e.g. digital platforms, feedback and grievance redress systems, etc.).
- Identify women change-makers/influencers in communities and support their role in promoting community harmony, resilience and social cohesion.
- Implement a coherent, coordinated COVID-19 response scheme for marginalized groups through a *National Action Plan* which defines stakeholders' responsibilities.
- Hold local government elections as soon as possible to enhance the legitimacy and resilience of local structures to respond to emergencies and deliver regular services.
- Build local authorities' human and resource management capacities by creating a transparent fiscal transfer, budget allocation, spending and auditing system.
- Establish 'virtual rooms' where decisions can be made in virtual meetings. Use digital solutions for internal local government decision-making and to engage with citizens.
- Ensure that local and city governments have business models for disaster response, resilience and business continuity by adapting techniques learned during COVID-19.
- Ensure that local governments have the resources and capacity to collect, develop, maintain and use data on citizens through digital technologies.

WAYS FORWARD

To save lives, Pakistan needs an integrated health, humanitarian and socio-economic response to COVID-19. The nexus between humanitarian and development work has never been more relevant, nor the need for collaboration and coherence more acute. This framework focuses on rapidly extending Pakistan's socio-economic response, hand in hand with humanitarian and health interventions, as a coherent emergency package.

Responsibility for leading the response on all three fronts (health, humanitarian and socio-economic) lies with Pakistan's national and sub-national governments, including local governments. But the scale of COVID-19's impact means that the Government cannot deliver this response alone. Development partners, UN agencies, international financial institutions, NGOs, CSOs, the private sector, academia and the media all have a role to play in accelerating response efforts, and protecting lives and livelihoods.

The first step is to embed this COVID-19 socio-economic framework and its recommendations in Pakistan's response strategies and plans: the *COVID-19 National Action Plan*, provincial response plans, federal and provincial budgets for FY 2020-21. This calls for advocacy and policy engagement at the national and sub-national levels to ensure that the framework's recommendations are adopted and implemented.

Second, technical, advisory and implementation support will be needed to analyse the evolving situation, sharpen the focus of response measures and improve their delivery. To seek this support, the Government should set up COVID Response Committees, with donors and development partners, to ensure an integrated, cohesive and robust response.

Third, some recommendations may be difficult to implement given the absence of solid, disaggregated socio-economic data. This may make it hard to identify and reach targeted beneficiaries. Therefore, community-based organizations, local governments, CSOs and should be mobilized to identify, map and register beneficiaries, especially the most vulnerable groups, so that relief and rehabilitation packages reach them.

Finally, in-depth analysis is needed on COVID-19's medium and long-term impacts. The Government should engage public sector research and policy institutes – as well as think tanks, academics and research institutes – to undertake specific, in-depth specific studies on the pandemic's impact on vulnerable sectors, groups, households and people. This analysis should be used to sharpen the focus of government response plans and interventions. As the Government will be the main user of these studies, it should identify clear research objectives and communicate expectations to the institutions that implement this research agenda.

Supplement: COVID-19 PAKISTAN SOCIO-ECONOMIC RESPONSE PLAN

RECOMMENDED PRIORITIES FOR ACTION UNDER THE FRAMEWORK'S FIVE PILLARS FOR PAKISTAN

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|---|--|---|---|------------------------|--|------------------|
| Pillar 1. Health first: Protecting health services and systems during the crisis | | | | | | |
| 1 | Ensure the continuation of essential healthcare services and a resilient health system. | <ul style="list-style-type: none"> Continue the provision of primary health care facilities by basic health units and rural health centres. Ensure that private hospitals and clinics reinstate essential services, with strict IPE measures in place. Explore alternate options to out-patient departments, such as telemedicine and helplines fronted by public and private general practitioners, specifically for non-urgent, diagnosed patients. Operationalize the HIV Programme, Preventing Parent-to-Child Transmission (PPTCT) and the Paediatric HIV Programme. Develop a more resilient health system, so that health infrastructure, human resources, supplies and information are developed and managed as a part of preparedness for health crises. Establish an open access database on scientific research results, data, educational resources and technological innovations | <ul style="list-style-type: none"> Number and percentage of health facilities and frontline service providers providing uninterrupted essential healthcare services Number of new platforms (e.g. telemedicine, mobile clinics, etc.) for the provision of health care services to women, children and the elderly HIV-positive people, pregnant women and children benefit from the HIV programme Plan formulated for the long-term development of a resilient health system Roadmap developed for the open access database | May–December 2020 | Provincial Health Departments, Ministry of National Health Services, Regulation and Coordination, Local Government Departments, municipal services, Ministry of Science and Technology, academia, research institutes, UN agencies | US\$5 million |
| 2 | Ensure the continuation of immunization services for all children under-two and women of reproductive age with TT vaccine to | <ul style="list-style-type: none"> Restart immunization drives for children as soon as possible after COVID-19 is contained. Ramp up efforts to maintain high immunization coverage and tackle malnutrition, especially in girls. Launch media awareness campaigns for parents and families on regular and timely immunization for children. | <ul style="list-style-type: none"> Number and percentage of districts where immunization services are reinstated Nationwide immunization campaign launched Number of vaccines at safe-stock levels at the national and provincial levels | April–December 2020 | EPI programmes, WHO, UNICEF, the private sector; CSOs, federal and provincial governments | US\$13 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|--|--|--|------------------------|--|------------------|
| | minimize morbidity and mortality. Maintain the surveillance of vaccine-preventable diseases for early detection and response potential outbreaks. | <ul style="list-style-type: none"> Continue to assess and track child immunization status and vaccination schedules. Follow-up with parents proactively to ensure that children are regularly vaccinated. Invest in mobile clinics to deliver immunization and health services where most needed. Consider also creating semi-permanent structures for COVID-19 outreach (e.g. refurbished containers, schools, telemedicine, etc.) Ensure the procurement, inventory and supply chains of vaccines, especially in anticipation of an increased demand for vaccination after the lockdown is lifted. Ensure that disease surveillance, early detection and case reporting systems continue to work. | <ul style="list-style-type: none"> Percentage coverage of the third dose of Pentavalent vaccine at the national and provincial levels (at least more than 80%) Percentage coverage of the first dose of measles vaccine at the national and provincial levels (at least more than 80%) Percentage of districts that achieve a coverage of more than 80% (at least 80% of districts should achieve this indicator) | | | |
| 3 | Ensure the continuity of sexual, reproductive, maternal and child health services and interventions in the COVID-19 response, including the protection of the health workforce and the implementation of the <i>Minimum Initial Service Package</i> for reproductive | <ul style="list-style-type: none"> Track and reach out to vulnerable groups (e.g. pregnant and lactating women, newborns) with preventive and promotive health services. Ensure 'Essential Newborn Care', including the early initiation of breastfeeding and post-natal care at the facility and community levels. Manage sick newborns and premature babies through neonatal intensive care units (NICU) and kangaroo mother care (KMC). Strengthen children's out-patient departments (OPD) and emergency services for children through triage and screening. Continue pneumonia, diarrhoea and malaria-related health services according to <i>Integrated Management of Childhood Illness (IMNCI) Guidelines</i> for children under-five. Provide essential medicines and supplies to manage sick children at the facility and community levels. | <ul style="list-style-type: none"> Essential sexual and reproductive health services, including maternal and newborn health services, are available and accessible to pregnant women Number of mothers and newborn who receive postnatal care (PNC) Number sick newborns managed at INCU/number of premature babies managed through kangaroo mother care Training of healthcare providers, including Lady Health Workers (LHWs) on IPC, triage and the use of PPE for care Number of children treated for common childhood illnesses Provision of PPE (face masks, gloves and sanitizers) for out-patient departments and LHWs | April–December 2020 | Provincial Maternal and Child Healthcare Departments, provincial Health Departments and Ministries of Health, family planning programmes and outreach workers, UN agencies | US\$25 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|--|--|---|---|------------------------|---|---|
| | health in emergencies. | <ul style="list-style-type: none"> Ensure the availability and access to essential sexual and reproductive health (SRH) services, including maternal and newborn health services. Ensure the uninterrupted supply chains of modern contraceptives, maternal and newborn drugs and supplies, maternal health equipment, infection prevention and control (IPC) material and supplies, and educational and counselling materials. Prepare for births, mainly around 62,000 C-section deliveries and around 200,000 miscarriages or unsafe abortions⁹² in the next three months. Plan and prepare for alternate care approaches (e.g. maternity homes, tele-consulting, home-based care if hospitals are overwhelmed by COVID-19 cases) to continue MNCH services. Assist women who choose to delay pregnancy by offering comprehensive and easily accessible modern contraceptive services and information at public health facilities. Prepare and train Lady Health Visitors/Lady Health Workers and frontline workers to use personal protection equipment. | <ul style="list-style-type: none"> Number and percentage of pregnant women receiving essential sexual and reproductive health services. Number and percentage of hospitals and medical stores with an uninterrupted supply of contraceptives, maternal and newborn life-saving drugs, etc. Number of women who continue to receive antenatal and postnatal care Required services are available for C-section deliveries and care for miscarriages and complications in the next three months | | | |
| Pillar 2. Protecting people: Social protection and basic services | | | | | | |
| 1. COVID-19's impact on social protection: Scale up and expand resilient and pro-poor social protection systems | | | | | | |
| 1 | Expand BISP coverage and outreach to provide | <ul style="list-style-type: none"> Monitor the social and economic impact of COVID-19 and update the database of the most vulnerable individuals and families, including children and adolescents. | <ul style="list-style-type: none"> Database of vulnerable individuals and families updated with children and adolescents | April–June 2020 | Ministry of Planning, Development & Reform, provincial governments, | US\$3.69 billion (for FY 2020-21) ⁹³ |

⁹² Maternal and newborn health needs in the next three months in Pakistan, PDHS 2017-18, Census 2017 and UNFPA MISP Framework.

⁹³ This amount should be allocated in FY 2020-21 under social protection.

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|--|--|---|---------------------------------|---|-----------------------------|
| | unconditional cash assistance to vulnerable people in urban and rural areas to avoid hunger and poverty (short-term) | <ul style="list-style-type: none"> Expand BISP and the emergency <i>Ehsaas</i> programme to provide relief packages and non-conditional grants to over 14 million families, and from the additional 15 to 20 million poor in the coming months, including refugees (up to 112,000 families). Launch a second round of cash transfers in mid-July 2020 if COVID-19 continues to affect the lives of poor people. Allocate PKR 590 billion (PKR 340 billion for BISP and PKR 150 billion for <i>Ehsaas</i>) for both relief packages for FY 2020-21. Conduct a socio-economic assessment on the needs of transgender people and integrate these findings in the COVID-19 response. | <ul style="list-style-type: none"> Amount and percentage of funds distributed as cash/in-kind grants from current allocations Second round of cash transfers launched, with coverage of around 14 million families and individuals, and financial distribution of PKR 590 billion Socio-economic needs assessment conducted for trans-gender persons and findings integrated in the COVID-19 response. | Second round: July–October 2020 | BISP/ <i>Ehsaas</i> programme, Ministry of Human Rights, Ministry of Law and Justice and related provincial and national departments, Ministry of States and Frontier Regions, National Committee on the Protection of Transgender Persons Act, CSOs and NGOs UN agencies | US\$9 million ⁹⁴ |
| 2 | Strengthen the social protection system by identifying and integrating the most vulnerable people (e.g. poor families with children, households headed by women, people with disabilities or children, transgender | <ul style="list-style-type: none"> Continue to modernize and upgrade the social protection system using digital technologies to make it easier to expand horizontally and vertically, to verify eligibility and identify wrong exclusions, and to distribute rapid regular cash payments during an extended lockdown. Integrate vulnerable groups into the relief package by assessing their specific needs. Provided waivers on health insurance premiums for the extremely poor and waivers/subsidies on health insurance premiums for others. Communicate and engage with stakeholders on roles, rights, responsibilities, eligibility criteria, registration processes, | <ul style="list-style-type: none"> Governments' relief packages and programmes are informed by social protection principles Number and type of vulnerable groups integrated in the social protection framework and packages Number of poor/vulnerable families who received waivers/subsidies on health insurance premiums Number and type of women workers provided with economic recovery solutions | May–October 2020 | Ministry of Planning, Development & Reform, provincial governments, BISP/ <i>Ehsaas</i> programme, Ministry of Human Rights, Ministry of Law and Justice and related provincial and national departments | US\$0.5 million |

⁹⁴ This amount should be allocated to include 112,000 of the most vulnerable refugee families in Pakistan.

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|---|---|---|---|------------------------|---|------------------|
| | people, the elderly, minorities) in the social protection framework and packages (medium-term) | <ul style="list-style-type: none"> complaints mechanisms and other critical aspects of cash transfers (e.g. behaviour change). Provide economic recovery solutions to support home-based workers, daily wage workers, domestic workers and micro businesses led by women. Strengthen data and evidence by introducing holistic data disaggregated by sex and disability. | <ul style="list-style-type: none"> Number of women with disabilities reached by relief package services Number of data sets developed with sex and disability disaggregated data | | | |
| 2. Maintain the food system and essential nutrition services | | | | | | |
| 1 | Policy, regulatory and institutional measures to ensure uninterrupted production, supply chain and food security efforts. | <ul style="list-style-type: none"> Balance resource allocations between the public health emergency and COVID-19's impact on food security and livelihoods. Regularly monitor food and nutrition security among highly food insecure and vulnerable populations, including poor households headed by women or children, households with pregnant and lactating women, and those with children. Monitor and regulate markets, both wholesale and retail, to discourage and control hoarding, price gouging and speculation. Make information on agricultural production, food supplies and market sales easily available through government portals and district Farm Service Centres to strengthen the management of food markets and supply chains, and provide information to farmers. Strengthen the <i>National Food and Nutrition Security Information System</i>. Centralize and strengthen the data collection and analytical capacity of government staff to ensure informed decision-making on food and nutrition security. | <ul style="list-style-type: none"> Weekly food pricing reports produced and analysed to identify problematic areas/markets and commodities. Number and type of policy and regulatory measures taken to ensure the uninterrupted production and supply chains of agricultural and food items Flagship knowledge products (<i>Pakistan Overview of Food Security and Nutrition, Pakistan Food Forecast</i>, and other ad hoc reports) are produced to assess and inform the response to COVID-19's impact on the food system Guidelines issued and enforcement mechanisms in place to protect food and agricultural workers | April–September 2020 | Ministry of National Food Security and Research, provincial governments and district administrative departments, provincial Ministries and Departments of Agriculture and Livestock, Departments of Industry and Commerce , UN agencies | US\$11.6 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|--|--|---|------------------------|---|------------------|
| | | <ul style="list-style-type: none"> Strengthen provincial data collection and monitoring capacities. Set up a monitoring dashboard to identify risks of disruption based on hotspots. Ensure the uninterrupted inter-provincial transportation of food supplies. Consider allowing controlled agricultural labour movements, under clear health and safety guidelines. Keep international food trade open. Request that other trade partner countries – through bilateral and multilateral fora – do not introduce trade protectionist policies during or after the COVID-19 pandemic. Launch awareness campaign to promote standards of practice (SOPs) and protection standards among farmers, producers, transporters and agricultural suppliers (4 million farmers). | | | | |
| 2 | Integrate agricultural production, supply chains and food and nutrition security into the COVID-19 relief package through tied and conditional grants. | <ul style="list-style-type: none"> Integrate the community-based management of acute malnutrition (CMAM) into the distribution of cash, vouchers, food and accompanying education and information. Pay attention to the composition of ration packages, when preparing and distributing these packs, adhering to the <i>Pakistan Dietary Guidelines for Better Nutrition (PDGN)</i>. Subsidize or provide (with or without conditions) certified seed and fertilizers for the <i>Rabi</i> season 2020–21 to vulnerable households who do or do not have access to certified seeds. Offer crops support to smallholder farmers (with 1–5 acres of land). Consider stimulus packages (e.g. interest-free loans or grants, etc.) for vulnerable groups, especially women farmers in the rural economy, including for food processing and value addition units. Provide localized nutrition-sensitive food production, food utility and nutrition assistance to vulnerable households | <ul style="list-style-type: none"> COVID-19 relief packages, especially in-kind ration packs, are designed as per the <i>Pakistan Dietary Guidelines for Better Nutrition</i> and integrate necessary community-based management of acute malnutrition Percentage of farmers (<i>Kharif</i> crops) with adequate and timely access to agricultural inputs Percentage of vulnerable farmers (disaggregated by sex) and producers who receive subsidized and interest-free loans for agricultural inputs Percentage of vulnerable households who receive nutrition-sensitive food production assistance | April–June 2020 | Ministry of National Food Security and Research, provincial governments and district administrative departments, provincial Ministries and Departments of Agriculture | US\$47.5 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|--|--|--|------------------------|--|------------------|
| | | identified as highly food or nutrition insecure, to ensure their continual nutritious household food supply. | | | | |
| 3 | Use technology and innovative tools and practices to ensure the uninterrupted functioning of food markets and supply chains. | <ul style="list-style-type: none"> Introduce electronic transactions and vertically integrated ordering and delivery systems to efficiently move food through the system, while ensuring physical distancing during the pandemic. Work closely with existing private sector actors to develop a safe, efficient process of delivering food items/packages, especially in areas with highly vulnerable to COVID-19 and food insecurity. | <ul style="list-style-type: none"> Number of new, innovative types of technologies and tools used to ensure functional markets and food supply chains Efficient and safe processes developed for the delivery of food items/packages, especially in areas highly vulnerable to COVID-19's impact | May 2020– June 2021 | Ministry of National Food Security, provincial governments and district administrative departments, provincial Ministries and Departments of Agriculture and Livestock, private sector | US\$3.5 million |
| 4 | Treat moderate and severe acute malnutrition among young children and pregnant and lactating women. | <ul style="list-style-type: none"> Identify and refer cases of acute malnutrition in women and children. Ensure the continued treatment of severe acute malnutrition (SAM) and moderate acute malnutrition (MAM) among young children and pregnant and lactating women. | <ul style="list-style-type: none"> Number of new children, and pregnant and lactating women, identified with SAM/MAM admitted in the programme Number of new children identified with SAM with medical complications admitted to SC | May– December 2020 | Ministry of National Health Services Regulations and Coordination, Departments of Health, UN agencies | US\$15.5 million |
| 5 | Prevent wasting and iron deficiencies among young children and pregnant and lactating women. | <ul style="list-style-type: none"> Mobilize partners to promote adequate breastfeeding in the context of COVID-19 and beyond. Establish required capacity for the promotion of age-appropriate complementary feeding, including multi-micronutrient supplementation. Provide iron-folic acid supplementation for pregnant women. | <ul style="list-style-type: none"> Number of mothers/caregivers reached with messages on breastfeeding Number of children provided with multi-micronutrient supplementation Number of pregnant mothers provided with iron-folic acid during antenatal care visits | May– December 2020 | Ministry of National Health Services Regulation and Coordination, provincial Departments of Health, UN agencies | US\$9.1 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|--|--|--|---|------------------------|--|-------------------|
| 3. Ensure the continuity and quality of water and sanitation services | | | | | | |
| 1 | Provide awareness raising materials, supplies, services and equipment to ensure sustained water, sanitation and hygiene (WASH) services. | <ul style="list-style-type: none"> Introduce psychosocial support mechanisms to work with communities on behavioural change and social practices, which can be integrated into the <i>Tiger Force</i> programme. Ensure infection prevention and control at health care facilities and quarantine centres, especially by providing improved access to WASH facilities and waste management. Train frontline cleaning staff and provide them with personal protective equipment. Raise community awareness of COVID-19 infection prevention and control. Seek support from Clean Green Champions, religious leaders, CSOs and CRPs on risk communication. Provide hygiene items, especially soap/sanitizers the poor. Install safe drinking water and handwashing facilities in key locations in informal settlements and public places. Ensure emergency preparedness by providing water tanks, standpipes, handwashing facilities, soap/sanitizer, and hygiene messages. Carry out sensitization and awareness raising campaigns, including COVID-19 related messages, by actively engaging community leaders and existing slum networks. | <ul style="list-style-type: none"> Number of districts where the provision of waste and water management services are sustained and not interrupted as a result of COVID-19 Number and percentage of health care facilities and quarantine centres with improved access to WASH facilities and waste management, and training for frontline cleaning staff Number of safe drinking water and handwashing facilities provided Percentage of the population – including those living in rural, underserved, low-income districts and localities – with access to awareness raising messages on health, hygiene and safety practices | May 2020– June 2021 | Provincial Departments of Health, Ministry of National Health Services Regulation and Coordination, Local Government Departments, municipal services, UN agencies, CSOs and NGOs | US\$49.45 million |
| 4. Secure sustained learning for all children, preferably in schools | | | | | | |
| 1. | Take proactive measures, such as alternate learning pathways, special teaching | <ul style="list-style-type: none"> Expand alternative learning models and programmes in hard-to-reach areas with maximum outbreaks of COVID-19, through extensive community engagement. Provide targeted learning programmes – especially for the most vulnerable children, including those from poor | <ul style="list-style-type: none"> Number and type of context-specific alternate teaching and learning models Percentage of public and private sector schools where teaching has restarted using alternative methods | April– August 2020 | Ministry of Federal Education and Training, provincial Ministries and Departments of Education, UN | US\$20 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|---|--|--|---------------------------|--|------------------|
| | and learning arrangements, raising parents' and students' awareness and mobilization, etc. to minimize COVID-19's impact on learning outcomes and continuity. | <p>backgrounds and rural areas – using of multiple mediums, such as television, radio, SMS and the internet, etc.</p> <ul style="list-style-type: none"> Safely reopen schools when COVID-19 subsides and ensure student screening, including special measures for education facilities and schools that have been used as quarantine, isolation or care facilities for patients. Clean, disinfect, decontaminate schools and provide them with WASH facilities and supplies. Engage in social mobilization and grassroots engagement to support retention, continuity and the transition of students affected by the pandemic. | <ul style="list-style-type: none"> Percentage of public and private sector schools where teaching has restarted after taking adequate precautionary measures Number and percentage of children who drop out of school post-COVID-19 Number and percentage of out-of-school children, disaggregated by province and sex | | agencies, mainstream and social media platforms, Digital Pakistan, Parent Teacher Committees | |
| 2 | Implement policy, regulatory and institutional measures to adapt and respond to COVID-19's impact on the quality and delivery of education in schools. | <ul style="list-style-type: none"> Compress curricula and integrate express delivery models in provincial and district level education sector plans and strategies. Enhance the capacity of teachers and teacher training institutions to deliver curricula through innovative, technological and non-technological mediums. Invest in skills-based learning to retain children from poorer households who drop out of school, to equip them with useful skills for income generation. Develop policies on distance learning, accreditation and monitoring of learning outcomes for primary and secondary education. Introduce an incentive-based (food, cash or vouchers) education support programme to enhance retention once schools reopen. Expand social protection products (e.g. BISP <i>Waseela-e-Taleem</i> and student stipend programmes) with better targeting to reach the most vulnerable students, especially girls from poor backgrounds. | <ul style="list-style-type: none"> Number and type of policy measures and regulatory reforms taken to adapt and respond to COVID-19's impact on education Number of teachers trained on the use of technology and innovative teaching methods Curricula compressed and express delivery models integrated in provincial and district level sector plans and strategies Number of girls and children from marginalized families who receive social protection packages to sustain their education | April 2020– March 2021 | Ministry of Federal Education and Training, provincial Ministries and Departments of Education, Education Programme Monitoring & Implementation Units (PMIUs), UN agencies | US\$1.0 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|--|---|--|---|------------------------|--|------------------|
| 5. Support survivors of gender-based violence | | | | | | |
| 1. | Strengthen evidence and alternate mechanisms for reducing gender-based violence and ensure the continuity of essential services to prevent and response to GBV. | <ul style="list-style-type: none"> Continue to collect data and generate evidence on the impact of COVID-19 on women, girls and vulnerable groups. Ensure the availability of essential GBV services and providers (police, judiciary, health services, social workers, crisis centres/shelters, governance and coordination mechanisms) during the pandemic. Establish GBV hotlines in all provinces, introducing remote and technological support. Use a range of mediums (e.g. radio, PTV, social media) to disseminate awareness raising messages on gender-based violence, hygiene and preventive measures. Build the capacity GBV essential service providers. Establish and strengthen community surveillance and reporting mechanisms to track cases of child marriages. Improve the enforcement of laws to curb child marriage. | <ul style="list-style-type: none"> Rapid assessment report and recommendations produced Number of women who access GBV support services. Number of GBV hotlines operational Number and type of awareness and information messages developed and aired to combat gender-based violence and gender disparities Number of GBV essential service providers trained Number and type of community surveillance and reporting mechanisms adopted to track cases of child marriages | April–June 2020 | Women’s Development Departments, National Commission on the Status of Women, provincial Health and Education Departments, private sector | US\$1.5 million |
| 6. Child protection | | | | | | |
| 1 | Conduct a rapid assessment and develop a plan to minimize COVID-19’s impact on children, adolescents and sectors relevant to child rights. | <ul style="list-style-type: none"> Conduct a rapid assessment to determine COVID-19’s impact on, and risks for, communities, individual children, adolescents and specific sectors relevant to child rights. Establish a clear regulation on alternative care for children, including quality care standards and medical and education services, to facilitate the rehabilitation and social reintegration of children recovering from trauma/COVID-19 infection. | <ul style="list-style-type: none"> Raid assessment conducted and plan developed to minimize COVID-19’s impact on children, adolescents and specific sectors relevant to child rights Percentage of activities delivered to protect children | May–September 2020 | Ministry of Human Rights, Ministry of Law and Justice and related provincial and national departments, | US\$1.5 million |

Pillar 3. Economic recovery: Protecting jobs, micro, small and medium-sized enterprises, and the most vulnerable productive actors

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|-------------------------------------|--|---|--|------------------------|---|--|
| 1. Impact on at-risk workers | | | | | | |
| 1 | Offer a compensation package to cover the lost income of 'paid employees' in at-risk jobs who have become unemployed across key sectors. | <ul style="list-style-type: none"> Identify workers affected by COVID-19 in different sectors. Develop a registry system to reach these workers. Develop a mechanism for distributing a compensation package to support the livelihoods of unemployed workers. Distribute non-conditional grants. | <ul style="list-style-type: none"> Unemployment analysis completed Database of unemployed workers developed/compiled Number of recently unemployed paid workers compensated Amount (US\$) disbursed | April 2020 (one month) | Ministry of Overseas Pakistanis and Human Resource Development, Ministry of Planning, Development & Reform | US\$900 million (for one month) US\$0.1 million (expansion of online employment platform) |
| 2 | Promote labour-intensive infrastructure and cash for work schemes designed. | <ul style="list-style-type: none"> Undertake an analysis of daily wage workers. Develop a mechanism to regularly update and register daily wage workers. Develop mechanism for the distribution of 'cash for work' Implement cash for work interventions, including in rural areas which daily wage labourers are returning to. | <ul style="list-style-type: none"> Daily workers' analysis completed Database of daily wage workers developed/compiled Number of daily wage workers engaged in cash for work activities Amount (US\$) disbursed | July–December 2020 | Ministry of Overseas Pakistanis and Human Resource Development, Ministry of Planning, Development & Reform, provincial Departments of Labour, UN agencies | US\$40 million |
| 3 | Develop a compensation package and award grants to eligible self-employed workers, small businesses and | <ul style="list-style-type: none"> Develop a mechanism to regularly update and register eligible self-employed for grants and government assistance Develop a mechanism for the distribution of compensation packages for self-employed workers. Distribute non-conditional grants. | <ul style="list-style-type: none"> Database of eligible self-employed workers developed/compiled Number of eligible self-employed workers compensated Online platform developed to raise awareness of compensation packages | April 2020 (one time) | Ministry of Overseas Pakistanis and Human Resource Development, Ministry of Planning, Development & | US\$600 million (one month) ⁹⁶ US\$0.1 million (online) |

⁹⁶ Budgeted and committed by the government

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|---|---|--|------------------------|---|--|
| | agricultural workers (of the total 5.7 million ⁹⁵ self-employed workers) who are likely to face a loss of income. | <ul style="list-style-type: none"> Develop an online platform developed to raise awareness of compensation package(s) and facilitate applications, assessment and monitoring of claims. Provide training and grants for young women entrepreneurs who have suffered livelihoods/asset losses due to COVID-19. Support NAVTTC to develop mechanisms to facilitate distance learning, catch up, accreditation and the monitoring of learning outcomes, where possible. | <ul style="list-style-type: none"> Amount (US\$) disbursed | | Reform, SMEDA, UN agencies | platform SMEDA) US\$3 million (women entrepreneurs package) US\$2 million (NAVTTC distance learning, etc.) |
| 4 | Register informal sector workers, including domestic workers and women agricultural workers) in line with the <i>Ehsaas</i> Labour Expert Group's recommendations | <ul style="list-style-type: none"> Start the registration of informal sector workers, domestic workers and women agricultural workers immediately. Use the 8171 mobile application, adding an additional field under 'occupation', for the rapid identification and registration of workers eligible for support. Compile a database of eligible workers and estimate the compensation value. Distribute non-conditional grants of PKR 12,000 per month, or as defined by the Government of Pakistan. | <ul style="list-style-type: none"> Database of workers eligible for government financial assistance developed and updated on a weekly basis Number and percentage of eligible workers who receive government financial assistance Amount (US\$) disbursed | April–June 2020 | Ministry of Overseas Pakistanis and Human Resource Development, Ministry of Planning, Development & Reform, UN agencies | US\$0 ⁹⁷ |

⁹⁵ Calculated by ILO and UNIDO using their methodology specified in the ILO and UNIDO (2020) *COVID-19 Impact Estimates*, 4th March 2020.

⁹⁷ Covered by Pillar 2 under social protection.

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|---|--|--|------------------------|---|------------------|
| 5 | Provide enhanced protection and special personal protective equipment to essential production workers, including in the food and agricultural sector. | <ul style="list-style-type: none"> Develop and enforce guidelines and SOPs, based on operational safety and health (OSH) standards, to ensure workers' health and safety, especially those working in essential production units and the food system. Provide special personal protective equipment to workers currently working, including those with disabilities, through policy and regulatory measures. Develop customized policy options, such as access to sick paid leave options, for workers working in essential production units. Communicate guidance about the efficient use of local agriculture labour. Allow the movement of agricultural workers within villages/union councils without local transmission of COVID-19 to support local collaborative labour networks. | <ul style="list-style-type: none"> Number and type of policy reforms developed and enforced for the health and safety of workers working in essential production units Number of eligible workers provided with specific personal protective equipment | April–June 2020 | Ministry of Overseas Pakistanis and Human Resource Development, Ministry of National Health Services, Regulation and Coordination, provincial Social Welfare Departments, Labour Departments and social protection authorities, UN agencies | US\$0.5 million |
| 6 | Include refugees within the Government's, development partners' and UN agencies' responses to the COVID-19 pandemic. | <ul style="list-style-type: none"> Develop a mechanism to register refugees and stateless persons who have special needs (e.g. 72,000 refugees with medical conditions, single parents, or children, women, people with disabilities or older persons at risk). Conduct a rapid needs assessment of these persons to provide them with essential support. Develop and launch a support package for Afghan refugees and stateless people who need assistance after the pandemic. | <ul style="list-style-type: none"> Mechanism developed for the registration of refugees and stateless persons with special needs Number of persons with special needs identified Amount (US\$) disbursed | April–December 2020 | Ministry of Human Rights, Ministry of Planning, Development & Reform, UN agencies | US\$6.5 million |
| 7 | Take immediate action to minimize and mitigate the economic impact of | <ul style="list-style-type: none"> Devise and implement a regular support package for vulnerable workers, such as home-based workers (including casual, daily wage and piece rate workers and women agricultural workers). Provide targeted financial assistance (interest-free loans and/or cash transfers) through microfinance institutions for | <ul style="list-style-type: none"> Number and percentage of vulnerable HBWs and women agriculture workers registered, and received governments' package | April–September 2020 | Women's Development Departments, National Commission on the Status of Women, | US\$20 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|---|--|--|------------------------|--|------------------|
| | COVID-19 on home-based and domestic workers, most of whom are women. | women-led micro, small and medium-sized enterprises, home-based workers and women agricultural workers. <ul style="list-style-type: none"> Provide cash transfers to vulnerable households, especially woman-headed households and domestic workers, through the <i>Ehsaas</i> programme and <i>Prime Minister's Relief Fund for COVID-19</i>. | <ul style="list-style-type: none"> Number of small and medium women-led businesses supported through economic recovery solutions Number of micro businesses led by women receiving financial assistance | | provincial Health, Education and Labour Departments, UN agencies, Ministry of Human Rights, Provincial Human Rights and Social Welfare Departments, National Committee on the Protection of Transgender Persons Act, CSOs and NGOs | |
| 8 | Continue to monitor other long-term likely impacts of COVID-19 on the labour force, employment and income (long-term) | <ul style="list-style-type: none"> Monitor the impact of COVID-19 on Pakistani migrant workers, Gulf Cooperation Council countries and the Middle East. Monitor the pandemic's impact on the creative and cultural industries, professionals in the performing arts and workers in all other creative and cultural fields. Develop a strategy to absorb migrant workers in the domestic economy once they start returning. Conduct in-depth reviews and assessments of labour force data to identify other implications of COVID-19, if any. Support the Pakistan Bureau of Statistics to develop/improve its tools for measuring labour market indicators. | <ul style="list-style-type: none"> Pakistan context analysis conducted and updated on a monthly basis COVID-19 impact dashboard developed and updated Adaptive response strategy developed Labour Force Survey and other labour market-related surveys supported | April–June 2020 | Ministry of Overseas Pakistanis and Human Resource Development, Ministry of Planning, Development & Reform, UN agencies, National Institute of Folk and Traditional Heritage (<i>Lok Virsa</i>), Pakistan National Council of the Arts | US\$0.2 million |

2. Impact on MSMEs and entrepreneurs

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|--|---|---|------------------------|---|---|
| 1 | Conduct research to identify the multi-dimensional impact of COVID-19 on micro, small and medium-sized enterprises | <ul style="list-style-type: none"> Support SMEDA to conduct rapid research on COVID-19's impact on small and medium-sized enterprises. Develop pragmatic evidence-based recommendations to support SMEs. Identify COVID-19's multiple effects on producers, traders, investors etc. and develop appropriate SMEs policy measures. Carry out a specific study to review COVID-19's impact on the future of work and how lessons learned can be incorporated into the way we do business. Develop specific tools to engage the pandemic's impact on youth-led micro enterprises. | <ul style="list-style-type: none"> Impact of COVID-19 on SMEs estimated and recommendations compiled Number and type of measures taken to mitigate COVID-19's impact on SMEs | April–September 2020 | Ministry of Industries and Production, SMEDA, Ministry of Information Technology and Telecommunications, national incubation centres, UN agencies | US\$0.05 million US\$0.04 million (youth micro enterprise assessment and future of work study) |
| 2 | Develop and implement COVID-19-specific policy and institutional reform measures to protect enterprises and entrepreneurs. | <ul style="list-style-type: none"> Explore legal and financial options for granting paid leave to regular and casual paid employees to improve employment retention. Create a special tripartite taskforce in each province (with organizations that represent social partners, such as the Employers Federation and Pakistan Workers Federation) for consultations on collective action and assistance in socio-economic recovery plans. Strengthen the Pakistan Bureau of Statistics to conduct a census/survey of enterprises as a routine activity. Strengthen the role and functions of SMEDA for the effective implementation of a robust MSME policy. Finalize the draft <i>SME Policy 2019</i> and incorporate COVID-19 impact factors to guide its implementation. Review current youth-specific training, employment and economic grant programmes to adapt to new realities. | <ul style="list-style-type: none"> Number and type of policy and regulatory measures taken to protect employment and financial compensation in the formal and informal sectors <i>SME Policy</i> finalized to address and implement COVID-19-specific measures and long-term SME development measures | May–September 2020 | Provincial Employees' Social Security Institutions, provincial Labour Departments, Ministry of Overseas Pakistanis and Human Resource Development, Pakistan/Provincial Bureau of Statistics, SMEDA, Ignite/NIC/NITB and provincial IT Boards, UN agencies | US\$0.2 million |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|---|--|---|--|------------------------|--|-------------------------------|
| | | <ul style="list-style-type: none"> Further regulate and incentivize start-ups and social enterprises to play a role in recovery processes. | | | | |
| 3 | Develop and implement a support package for MSMEs. | <ul style="list-style-type: none"> Support MSMEs (through short-term credit, tax breaks, subsidies, etc.), especially women enterprises that employ a large number of workers overall but are financially vulnerable. Support women-led micro enterprises (through short-term credit, tax breaks, subsidies, etc.). Expand social protection coverage, especially for MSME and informal workers. Revisit the <i>Ehsaas</i> Labour Expert Group's recommendations for guidance. Collaborate with formal financial institutions to improve access to finance for women entrepreneurs. | <ul style="list-style-type: none"> Number of SMEs registered and categorized as vulnerable Percentage of SMEs provided with financial relief packages Number of financial policy measures introduced to support women entrepreneurs | May–September 2020 | Provincial Employees' Social Security Institutions, provincial Labour Departments, Ministry of Overseas Pakistanis and Human Resource Development, UN agencies | US\$600 million ⁹⁸ |
| Pillar 4: Macroeconomic response and multilateral collaboration | | | | | | |
| 1. Macroeconomic response | | | | | | |
| 1 | N/A | N/A | N/A | N/A | N/A | N/A |
| 2. Multilateral and regional coordination, trade policy and connectivity | | | | | | |
| 1 | Implement trade facilitation measures for priority products. | <ul style="list-style-type: none"> Prepare technical recommendations and implementation support for applying trade facilitation measures, including the provisions of the World Trade Organization's Trade Facilitation Agreement (e.g. streamlined risk management, sector-specific authorised operator schemes, and expedited shipment measures on all air cargo for priority goods). Develop and provide training to border officials on how to conduct inspections in 'pandemic' situations and the | <ul style="list-style-type: none"> List of technical recommendations developed and implemented to ensure trade facilitation measures for priority products Border officials trained to conduct inspections in pandemic situations and understand the classification of medical goods/pharmaceuticals | May–October 2020 | Ministry of Commerce, Trade Development Authority of Pakistan, Ministry of Industries and Production, Trading Cooperation of Pakistan, Pakistan | US\$5 million |

⁹⁸ Budgeted and committed by the Government for FY 2019-20

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|---|--|---|------------------------|---|------------------|
| | | <p>classification of medical goods/pharmaceuticals used to treat COVID-19.</p> <ul style="list-style-type: none"> • Provide online access to information on export, import and transit procedures through trade facilitation portals. • Prepare forecasts and COVID-19 impact scenarios for specific sectors or trade flows to inform policy-makers and businesses. • Provide online learning and access to required tools to traders. Support them to develop flexible, well-integrated supply chains. | <ul style="list-style-type: none"> • Trade facilitation portal(s) established and operationalized • Number of trade impact analysis reports developed and shared with sectoral stakeholders • Number of traders with access to online information and learning portals | | Institute of Trade and Development, UN agencies, International Trade Centre | |
| 2 | Take policy, regulatory and institutional measures to strengthen multilateral and regional coordination, trade policy and connectivity. | <ul style="list-style-type: none"> • Strengthen trade cooperation and coordination by building mechanisms and policies to prevent, and coordinate during, disruptions to internal and external trade flows and/or transit. • Facilitate cross-border e-commerce and digital trade • Develop online mechanisms for public-private dialogue platforms (e.g. the National Trade Facilitation Committee) to monitor cross-border trade reforms in the medium to long-term. • Support trade policy formulation through a public-private dialogue approach, to adjust to new global realities. | <ul style="list-style-type: none"> • Policy proposals developed and adopted to strengthen trade cooperation • E-commerce and digital trade system developed and operationalized • Monitoring mechanism (e.g. National Trade Facilitation Committee) developed and operationalized • New trade policy formulated to adjust to new global realities | July 2020– June 2021 | Ministry of Commerce, Trade Development Authority, Ministry of Industries and Production, Trading Cooperation of Pakistan, Pakistan Institute of Trade and Development, UN agencies, International Trade Centre | US\$3 million |

Pillar 5: Social cohesion and community resilience

5.1 Political engagement and citizen-state dialogue

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|---|--|---|---|-----------|-------------------------|-------|
| 1 | Empower citizens and ensure their participation. | <ul style="list-style-type: none"> • Leverage partnerships with civil society organizations. • Create engagement platforms for NGOs and community-based organizations (CBOs). | <ul style="list-style-type: none"> • Number of CBO engagement platforms created • Extent to which citizens have increased awareness of COVID-19 | 2020–2022 | Local governments, CSOs | US\$0 |
|---|--|---|---|-----------|-------------------------|-------|

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|--|---|--|------------------------|--|------------------------------------|
| | | <ul style="list-style-type: none"> Provide income generation and life skills training for women and youths (boys/girls) from remote areas to increase their resilience. Identify women change-makers/influencers in communities to promote community harmony and social cohesion. Promote women's voices and give visibility to women and girls from hard-to-reach communities to address the pandemic's negative effects on social cohesion and community resilience. | <ul style="list-style-type: none"> Number of income generation and skills trainings conducted Number of women change-makers identified Number of women engaged from hard-to-reach areas | | | |
| 2 | Ensure the inclusion of civil society organizations, including women's organizations, in local governments' COVID-19 response. | <ul style="list-style-type: none"> Map all CSOs, including women's organizations, and draft a list with emergency contact numbers. Organize bi-monthly consultations with CSOs to discuss the evolving situations within communities. Develop localized messages on COVID-19 and positive behaviour. Provide emergency services in local languages. Highlight the information's reliability and offer a 24/7 hotline for personalized information. Use the network of CSOs to deliver messages, and also communicate these through formal channels. | <ul style="list-style-type: none"> Number of awareness raising campaigns conducted Number of citizens (disaggregated by sex) reached through communication campaigns | 2020 | Local governments, provincial Departments of Communication | US\$2 million |
| 3 | Ensure transparent, continual communication with citizens and build trust in, and through, the local government. | <ul style="list-style-type: none"> Ensure that all information and updates on the COVID-19 pandemic's evolution is made accessible to all citizens. Disseminate relevant information through informal channels, highlighting its endorsement by provincial government authorities. Promote trust through transparent communication, highlighting problems and the need for everyone to behave responsibly to counter the pandemic. | <ul style="list-style-type: none"> Number of citizen-state dialogues conducted | 2020–2021 | Local governments, provincial governments | US\$0 (covered in the costs above) |
| 4 | Hold local government elections | <ul style="list-style-type: none"> Agree on an election schedule for local government elections with the Election Commission of Pakistan. | <ul style="list-style-type: none"> Percentage increase in women's participation in elections | 2021 | Election Commission of | TBD (long-term) |

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|---------------------------------|--|------------|------------------------|---|------------------|
| | immediately after the pandemic. | <ul style="list-style-type: none"> Support the participation of women, youths and vulnerable groups in local government elections as voters and candidates. | | | Pakistan, provincial governments, local governments | |

5.2 Community empowerment, participation and inclusion

| | | | | | | |
|---|--|--|--|-----------|---|--------------------------------|
| 1 | Reinforce local networks to ensure the protection of vulnerable groups. | <ul style="list-style-type: none"> Provide psychosocial support through helplines staffed by psychologists and set up in coordination with local governments. Provide helplines and referral mechanisms for women and children to report domestic violence, GBV and child abuse during COVID-19. Design messages for all segments of the population to highlight the specific needs of vulnerable populations (e.g. the elderly, persons with disabilities) and collective responsibility to protect them. Ensure this network identifies, quarantines and rapidly refers all vulnerable COVID-19 cases to the nearest medical facility. | <ul style="list-style-type: none"> Percentage increase in the number of queries, requests and grievances registered Number of beneficiaries reached (disaggregated data) through remedial measures | 2020–2021 | Provincial governments, Departments of Health, Education and Social Welfare, local governments | US\$0 (covered under Pillar 2) |
| 2 | Implement a coherent and coordinated COVID-19 response scheme for marginalized groups. | <ul style="list-style-type: none"> Map marginalized groups in coordination with existing CSOs (transgender people, persons with disabilities, minorities, and refugees). Ensure that networks in marginalized communities are functional. Identify leaders as focal points. Encourage the inclusive, democratic designation of these leaders wherever possible. Hold regular meetings with community leaders. Ensure that specific problems faced by marginalized groups are reported and responded to by decision-making institutions. | <ul style="list-style-type: none"> Comprehensive mapping conducted Number of vulnerable community members reached Number of centres dedicated to vulnerable communities | 2020 | Local government, provincial Departments of Social Welfare, Local Government and Health, Federal Government | US\$3 million |

5.3 Governance and the rule of law: Communication and emergency preparedness

| Step | Recommended actions | Proposed sub-activities | Indicators | Time frame (tentative) | Implementing institution(s) | Estimated budget |
|------|-----------------------------------|--|---|------------------------|--|------------------|
| 1 | Eliminate institutional overlaps. | <ul style="list-style-type: none"> Eliminate institutional overlaps by clearly delineating the roles and responsibilities of national, sub-national and local governments in the <i>COVID-19 National Action Plan</i>. Conduct inter-provincial coordination meetings Digitize communication and coordination mechanisms established for inter-government and stakeholder coordination. | <ul style="list-style-type: none"> Number of IPMs conducted Number of ministries/line departments that digitize key communication mechanisms | 2020–2022 | Local governments, provincial Departments of Local Government and Planning & Development | US\$0 |
| 2 | Enhance emergency preparedness. | <ul style="list-style-type: none"> Operationalize District Disaster Management Authorities (DDMAs). Prepare business models for disaster response, resilience and the continuity of business. Build the capacities of local authorities to managing resources. | <ul style="list-style-type: none"> Number of districts with operationalized DDMAs Number of local government officials with improved capacities | 2020 | Local governments and cities, provincial Local Government Departments | US\$5 million |
| 3 | Enhance integration. | <ul style="list-style-type: none"> Collaborate with local governments (e.g. sign Memorandums of Understanding) to share experiences and support. Establish platforms for cross-coordination and communication to rapidly deploy people and resources where they are most needed. | <ul style="list-style-type: none"> Number of platforms for improved inter-provincial and inter-district coordination created | 2020–2021 | Local governments, provincial Local Government Departments | US\$0 |