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INCLUSIVE & RESILIENT ECONOMIC EMPOWERMENT AND GROWTH



From **POVERTY** *to* **PROSPERITY**



Message from Honourable Prime Minister Shehbaz Sharif

on the International Conference on Inclusive & Resilient Economic Empowerment and Growth

On the occasion of the International Conference on “Inclusive and Resilient Economic Empowerment and Growth" to observe the International Day for The Eradication of Poverty 2026, I would like to extend my warm greetings to the participating international and national delegates. The organizers and host of this Conference, Ministry of Poverty Alleviation and Social Safety, **Pakistan Poverty Alleviation Fund (PPAF),** the Islamabad Centre of National Cohesion & Outreach deserve commendation for highlighting an important humanitarian issue.

Eradication of Poverty is the paramount policy priority for effective and efficient governance. The Government of Pakistan has a resolute commitment to address multiple structural factors contributing to poverty and to build a progressive, public welfare oriented inclusive and climate-resilient economy.

Eradication of poverty is not only an economic challenge, but is also a fundamental humanitarian ordeal that calls for combined societal efforts and institutional remedies. The comprehensive National Economic Transformation Plan (Uraan Pakistan 2024–29) of the Government is centered on steering the country towards sustainable macroeconomic stability and structural reforms leading to reduction of multidimensional poverty, job creation, and social uplift.

Government is focused on devising strategies that expand beyond short-term relief towards enduring empowerment. The Government is providing a social safety net with financial assistance and capacity building programs like Benazir Income Support Programme (BISP) with its Kafaalat, Nashonuma, Taleemi Wazaif, Hunarmand, and the National Poverty Graduation Programme (NPGP). These initiatives are equipping millions of vulnerable families, especially women and youth, with productive, digital and financial inclusion. Moreover, recently revitalized National Vocational and Technical Training Commission (NAVTTC) is equipping youth, with productive vocational and technical education and training. Such initiatives are creating grassroots employment opportunities across agriculture, energy, and digital enterprise so that poverty can be eradicated with a sustained source of individual income.

International Day for the Eradication of Poverty 2026 theme "Safe Homes for All," is aligned with the Government's Prime Minister's Apna Ghar program that aims at ensuring affordable housing finance and subsidized loans for new home owners. In line with the theme of "Safe Homes for All" **Pakistan Poverty Alleviation Fund (PPAF)** integrates disaster resilient housing and community infrastructure through its specialized climate adaptation programs.

Today, as delegates have gathered at the conference, I urge our valued global partners, respected SCO Member State representatives, private sector leaders, and researchers to work together for an actionable framework to eradicate poverty and achieve climate-resilient green growth.

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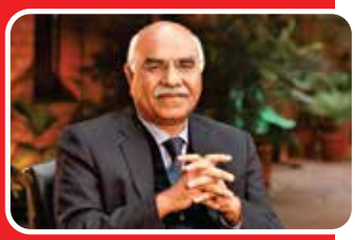

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EDITORIAL

Bridging Safety Nets and Sustainable Growth:
Pakistan's Model for Inclusive Poverty Graduation

As the global community converges on Islamabad on the eve of the International Day for the Eradication of Poverty, Economic Affairs extends its warmest welcome to international delegates, national experts, SCO member state representatives, policy architects, and development partners. The International Conference on "Inclusive and Resilient Economic Empowerment and Growth," organized by the Pakistan Poverty Alleviation Fund (PPAF) in collaboration with the Ministry of Poverty Alleviation and Social Safety and the Islamabad Centre of National Cohesion and Outreach, comes at a pivotal moment in Pakistan's socioeconomic evolution.

Poverty alleviation is no longer viewed through the narrow lens of short-term relief or financial support. Modern development paradigms demand structural, sustainable solutions that protect human dignity while building long-term climate resilience. In his message for this special edition, Honorable Prime Minister Shehbaz Sharif reinforces this vision under Pakistan's national economic transformation framework, Uraan Pakistan. The Prime Minister highlights a decisive shift in national priority: moving away from basic social transfers and moving toward active economic graduation, digital financial inclusion, and green job creation.

At the epicenter of this national movement stands the Pakistan Poverty Alleviation Fund. Over nearly three decades, PPAF has served as an essential institutional bridge connecting high-level macroeconomic policymaking with last-mile execution across underserved rural communities. By working directly through a vast network of community organizations, PPAF's interventions demonstrate that true economic empowerment begins at the grassroots level.

PPAF's track record highlights the profound power of community-driven development. Through its flagship poverty graduation approach, hundreds of thousands of vulnerable families—predominantly women and rural youth—have transitioned from dependency on social safety nets to running productive micro-enterprises. At the same time, PPAF's disaster-resilient housing initiatives and sustainable infrastructure projects mirror the global call for safe homes and community stability. By embedding climate-adapted practices into local asset distribution and infrastructure development, PPAF showcases to the world that poverty graduation and environmental survival must move forward together.

This international gathering provides an exceptional opportunity to present Pakistan's integrated social protection model to the global community. The synergy between direct cash transfers under the Benazir Income Support Programme and PPAF's targeted graduation frameworks creates a complete safety-net ecosystem that balances immediate relief with long-term upward mobility. Yet, showcasing these achievements is only the starting point; sustaining and expanding them requires continuous policy innovation.

To honor the core theme of this conference and foster a genuinely resilient economy, future collaboration across government, social, and development sectors must focus on interconnected priorities.

First and foremost, micro-loans must evolve into mechanisms for micro-equity. Helping micro-entrepreneurs scale up into formal small and medium enterprises requires expanding access to interest-free capital and blending public funds with private green financing, enabling local businesses to adopt solar energy, water-efficient farming, and sustainable practices.

Equally vital is connecting these grassroots livelihood initiatives directly to national and regional economic corridors. By aligning rural agriculture and cottage industries with the strategic investments of the Special Investment Facilitation Council and regional trade networks, local producers can gain direct access to broader markets, transforming rural economic activity into lasting prosperity.

Finally, deepening digital financial inclusion for rural women and strengthening local community organizations will ensure that climate risk management and social oversight remain grounded at the village level. When local institutions are empowered, communities gain the strength to sustain their own growth long after formal development projects reach completion.

As delegates gather in Islamabad to deliberate on actionable solutions, Economic Affairs reaffirms its commitment to amplifying these critical insights. We commend PPAF and its partner institutions for hosting this benchmark conference. By uniting global wisdom with grassroots action, Pakistan continues to pave a dignified path toward an inclusive, resilient, and poverty-free future where every family can thrive.

- Editor

ECONOMIC DIPLOMACY
From POVERTY to PROSPERITY



















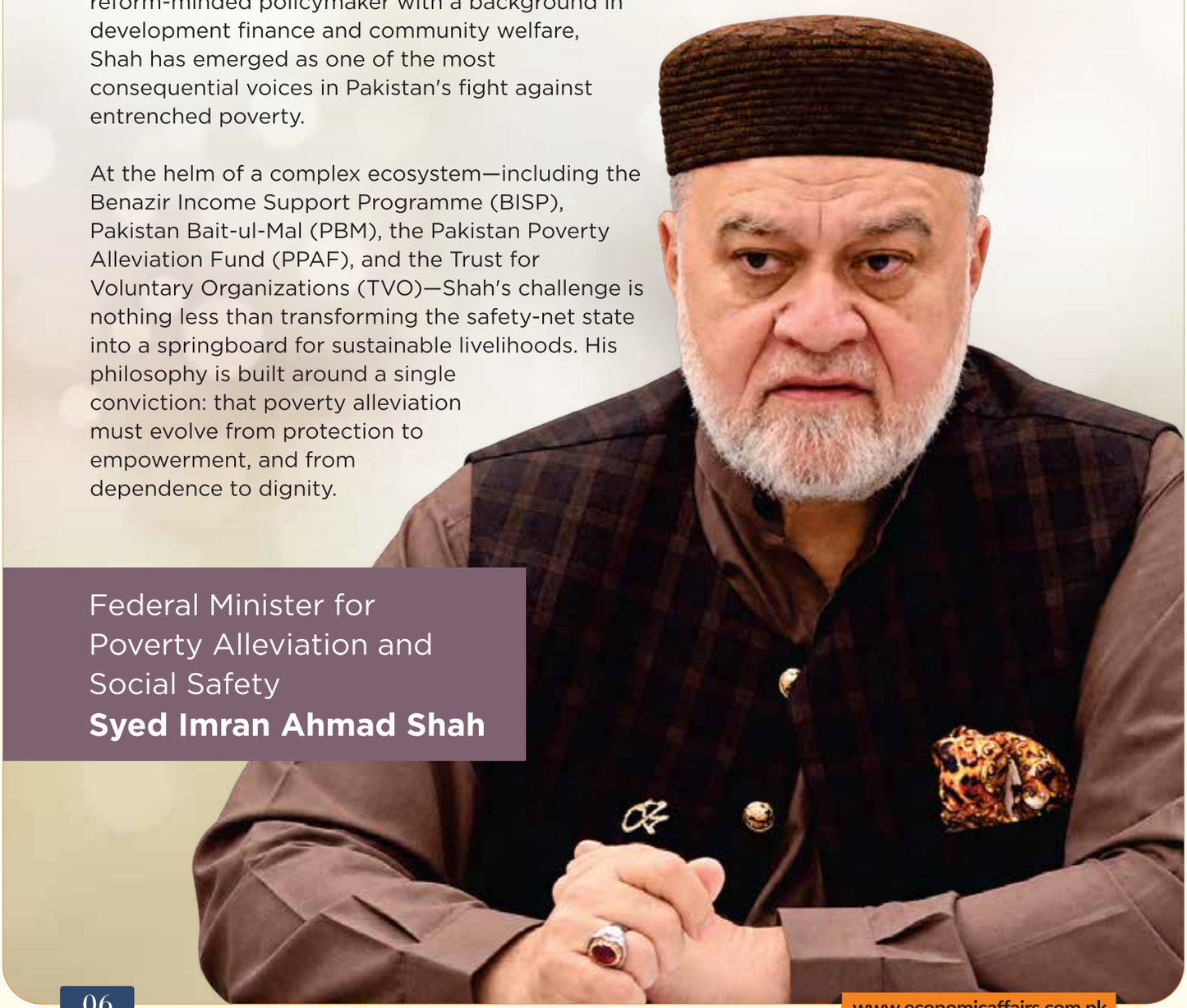
Pakistan's War on Poverty

Pakistan's poverty strategy is shifting decisively toward a "Cash Plus" model—combining financial assistance with asset creation, skills development, and access to finance.

Interview: Sohail Chaudhry

In a political landscape where short-term relief often eclipses long-term reform, Syed Imran Ahmad Shah, Federal Minister for Poverty Alleviation and Social Safety, stands out for his quiet resolve and structural vision. A reform-minded policymaker with a background in development finance and community welfare, Shah has emerged as one of the most consequential voices in Pakistan's fight against entrenched poverty.

At the helm of a complex ecosystem—including the Benazir Income Support Programme (BISP), Pakistan Bait-ul-Mal (PBM), the Pakistan Poverty Alleviation Fund (PPAF), and the Trust for Voluntary Organizations (TVO)—Shah's challenge is nothing less than transforming the safety-net state into a springboard for sustainable livelihoods. His philosophy is built around a single conviction: that poverty alleviation must evolve from protection to empowerment, and from dependence to dignity.



Federal Minister for Poverty Alleviation and Social Safety
Syed Imran Ahmad Shah

Under his stewardship, Pakistan's poverty strategy is shifting decisively toward a "Cash Plus" model—combining financial assistance with asset creation, skills development, and access to finance. His ministry's focus on women-led households, climate-resilient livelihoods, and digital inclusion reflects a reform agenda rooted in both empathy and evidence.

Widely respected among international donors and local partners alike, Shah is steering the Ministry toward measurable impact through data-driven coordination, transparent governance, and blended financing with private investors. His pragmatic approach—marrying compassion with systems thinking—signals a new maturity in Pakistan's social protection architecture: one that seeks not to manage poverty, but to end it.

Here are the excerpts of an interview of Syed Imran Ahmad Shah with the Economic Affairs;



Economic Affairs: Economic Affairs: What is the core mandate of your Ministry in the national poverty fight?

Syed Imran Ahmad Shah: Our ministry's mission is simple yet profound, to break the cycle of poverty and vulnerability so that no family remains trapped in dependence. We approach poverty not just as a lack of income but as a deprivation of opportunity, dignity, and resilience. The ministry works on three levels: providing immediate social protection through programs like BISP, building human and economic capital through PPAF's social capital, poverty graduation and livelihood initiatives, and empowering communities, and through institutions such as TVO and PBM.

At the heart of our mandate is the idea of graduation from poverty, transforming social protection beneficiaries into self-reliant citizens. We aim for a Pakistan where every family has access to education, health, livelihood opportunities, and financial inclusion, a Pakistan of resilience, not just relief.

Economic Affairs: PPAF is organizing an international conference in Islamabad on poverty reduction. Why do you think this conference is important at this stage of Pakistan's poverty alleviation journey?

Syed Imran Ahmad Shah: : I think the timing is very important. We are increasingly moving from a model of relief towards one of lasting poverty graduation. Cash support remains essential, but it cannot by itself help a family build a secure and sustainable future. We need to connect social protection with livelihoods, skills, productive assets, finance, markets and community institutions.

This conference provides an

A recent preliminary analysis of 334,596 common PPAF–BISP beneficiaries revealed that 108,043 (32%) are ready to graduate from BISP NSER.

opportunity to bring government, development partners, practitioners, the private sector and communities around the same table to look at what is working, what needs to improve, and what can be taken to scale. Most importantly, I would like the discussion to lead to practical commitments. We should not only talk about how to bring families out of poverty; we should also ask what it will take to ensure that they remain out of poverty. That is the challenge we must address together.

Economic Affairs: What is the specific role of PPAF, PBM, TVO, and BISP, and how do you ensure they work together?

Syed Imran Ahmad Shah: Each of our organizations has a unique yet complementary role in Pakistan's poverty alleviation landscape, collectively ensuring that social protection evolves into sustainable poverty graduation and community empowerment.

- **BISP** provides the foundation of social protection through unconditional and conditional cash transfers under the Kafaalat and Nashonuma initiatives. It identifies the poorest households using the National Socio-Economic Registry (NSER) and ensures women remain at the centre of financial inclusion by transferring stipends directly into their bank accounts. Its mobile registration vans and tehsil-level centers are helping bring previously unregistered, remote households into the national safety net.



- **PBM** extends these efforts by focusing on social welfare and human development. It supports treatment for major illnesses, offers stipends to persons with disabilities, funds higher education for poor students, and equips women with employable skills through 165 Women Empowerment Centres.

- **PPAF,** established in 1997 as an autonomous, not-for-profit company under Section 42, serves as the country's apex institution for community-driven development. PPAF functions as a Special Purpose Vehicle (SPV) leveraging public grants, soft loans, and private investments to drive sustainable poverty reduction. PPAF has mobilized over USD 1 billion from global partners, including the World Bank, IFAD, EU, KfW, AICS, and USAID. Having an outreach in 157 districts through 164 partner organizations, PPAF translates social protection into poverty graduation by empowering communities through asset transfers, interest-free loans, skill development, financial inclusion, and climate-

resilient infrastructure.

- **TVO** acts as the link between government and civil society, channeling public and private resources to grassroots NGOs that deliver education, health, and livelihood services in underserved areas, thereby strengthening the outreach and ownership of local communities.



BISP and PBM are engaging private partners to enhance service delivery through digital innovations, financial literacy programmes, and certified vocational training for women beneficiaries, improving efficiency, transparency, and empowerment.

Together, these institutions form an integrated ecosystem, BISP identifies and supports the poorest through unconditional cash transfer, PBM and TVO address welfare and service delivery gaps, and PPAF builds sustainable pathways out of poverty. Their coordination through shared targeting systems, NSER data exchange, and ministry-led oversight ensures every stage of the poverty cycle is addressed, from protection to empowerment and from relief to resilience.

Economic Affairs: What is your primary strategy to move people from cash transfers to sustainable livelihoods?

Syed Imran Ahmad Shah: Our approach is what we call "Cash Plus" combining immediate support with opportunity. The cash is essential for survival, but what changes lives are the assets, skills, and access to finance that follow.

For Example, PPAF's Poverty Graduation Model, validated globally by the Science journal, is our cornerstone. It builds a structured pathway: starting from consumption support, followed by asset transfer and skills, then access to credit and markets. A recent analysis of 334,596 common PPAF–BISP beneficiaries revealed that 108,043 (32%) are ready to graduate from BISP NSER.

Through the National Poverty Graduation Programme (NPGP), designed by PPAF and co-financed by IFAD and the Government of Pakistan, over 165,000 households, 90% of them women-led have received support in this manner. Graduation is not charity, it's investment in people's capacity to thrive.

Economic Affairs: How are you addressing regional disparities in poverty, particularly in Balochistan?

Syed Imran Ahmad Shah: Balochistan holds a very special place in my heart and in our national poverty alleviation agenda. During my recent visit to the province, I

met with communities in remote districts to see conditions on the ground and listen directly to people's concerns from access to education and health to livelihood opportunities. I was deeply inspired by the resilience and determination of the people, especially women striving to uplift their families despite limited resources. In recognition of their potential, I announced scholarships, under the umbrella of our Ministry's Organization, Pakistan Bait-ul-Mal (PBM), exclusively for women, to help young girls continue their education and contribute meaningfully to Balochistan's progress.

Our Organization, PPAF's work in Balochistan reflects this complexity. Through projects like Growth for Rural Advancement and Sustainable Progress (GRASP), Post-Flood Livestock Recovery, and Restoring Social Services through Climate Resilient Approaches, PPAF is investing billions of rupees in the province. The ultimate goal is to transition resilience into prosperity, ensuring that every district, no matter how remote, has a fair chance to progress.

Economic Affairs: How are you ensuring that women and youth are at the centre of your poverty alleviation strategy, not just passive recipients?

Syed Imran Ahmad Shah: Women and youth are not just passive beneficiaries in our system; they are the drivers of change. Our four organizations are working tirelessly to empower youth of our society.

Recently, to support the Prime Minister's Youth Programme (PMYP) by engaging youth in policy discourse, in developing the National Adolescent and Youth Policy (NAYP), PPAF led consultations across rural Pakistan, engaging over 11,000 marginalized young people, including out-of-school, unemployed, minority, and informally educated youth, ensuring their voices inform national policy. This collaboration shows how development and policy can be shaped from the bottom-up. PPAF has also transferred 63% of productive assets to women and trained nearly half a million individuals in fostering enterprises, 45% of them female. Under PPAF, young people are supported through entrepreneurship initiatives, renewable energy cooperatives, and MSME programmes that nurture local innovation.

Additionally, through BISP, women are the direct recipients of financial assistance under the Kafaalat and Nashonuma initiatives, giving them not just income security but also financial identity through personal bank accounts and mobile wallets.

Women head 90% of households under the National Poverty Graduation Programme, and over 56% of interest-free loans are taken by women entrepreneurs. At the same time, PBM operates 165 Women Empowerment Centres, while TVO funds youth-led local organizations in education and skills development.
Together, these initiatives

Through the National Poverty Graduation Programme (NPGP), designed by PPAF and co-financed by IFAD and the Government of Pakistan, over 165,000 households, 90% of them women-led have received support in this manner. Graduation is not charity, it's investment in people's capacity to thrive.

Local government is essentially a provincial subject, and its management and empowerment primarily rest with provincial governments. However, the Ministry through PPAF and its other programmes actively supplements and strengthens local poverty alleviation efforts by anchoring them in community-led structures closely linked with local administrations.

make women and youth the core architects of Pakistan's poverty-to-prosperity transition, empowered



economically through BISP's safety nets, equipped through PPAF's graduation model, and mobilized through PBM and TVO to lead the nation's inclusive development.

Economic Affairs: Given the recent devastating floods, what are your short-term and long-term strategies?

Syed Imran Ahmad Shah: The recent floods affected millions of families across Pakistan, exposing deep vulnerabilities but also demonstrating strong community resilience. Our strategy is two-fold, providing immediate relief while investing in long-term climate resilience.

In short term, our focus has been on saving lives and restoring livelihoods through cash assistance, food, shelter, medical services, and cash-for-work programmes to rebuild damaged infrastructure, restore irrigation channels, and replace lost livestock, seeds, and tools. For instance, in the immediate aftermath of the 2025 floods, PPAF reaffirmed its commitment to stand alongside the state by launching one of the largest community-driven humanitarian operations in its history, the Emergency Relief Assistance for Flood-Affected Communities 2025.

Utilizing its civil society partners' network, PPAF led relief operations across 45 districts in KP, Punjab, Gilgit–Baltistan, and AJK, reaching out to around 50,000 families through the distribution of 150,000 food, non-food, and hygiene packages. Medical camps treated thousands of patients, while veterinary services protected livestock and hence livelihoods. Through prudent targeting, transparency remained central to this effort, with 46 government dignitaries, including 10 Federal/Provincial Ministers and 20 Senior District Officials participated in distribution events and also inspected the beneficiaries identification process,

underscoring public confidence in PPAF's transparency, governance and operational credibility.

In long term, we are embedding climate adaptation across all programmes, ensuring that infrastructure is flood-resilient, livelihoods are climate-smart (e.g., crop diversification, resilient seed varieties, and sustainable land use), and social protection systems include pre-designed shock triggers that enable swift, effective responses in future emergencies.

For example, in long run, moving from relief to recovery, PPAF's Restoring Social Services through Climate Resilient Approaches Programme is not only rebuilding schools, water systems, roads, and renewable energy facilities in 19 flood-affected districts, designed to endure future shocks, but also building resilience at community and service-provision facility levels through adaptation and mitigation measures

Moreover, the upcoming project of my Ministry, Poverty Graduation for the Extremely Poor (PGEP), co-developed with the Islamic Development Bank, will integrate climate resilience into our poverty graduation model, linking adaptation, livelihood diversification, and financial inclusion at the household level.

In essence, our strategy



connects immediate relief with long-term resilience, ensuring that communities are not only protected in times of crisis but equipped to withstand and recover from future climate-induced challenges with greater strength and self-reliance.

Economic Affairs: How do you ensure that the four organizations under your Ministry work together to avoid overlap?

Syed Imran Ahmad Shah: We manage poverty as a continuum, not a collection of projects. The Ministry ensures synergy through shared databases, aligned targeting, and coordinated planning. For instance, BISP's National Socio-Economic Registry identifies the poorest households; PPAF then provides the tools: assets, training, and loans to graduate them out of poverty; PPAF's community validation process further ensures transparency and inclusion. PBM delivers social welfare support; and TVO mobilizes local NGOs for outreach.

The Ministry's coordination platforms, supported by GIZ under Lead the Change, enable federal and provincial departments to collaborate effectively. Duplication is avoided because each agency knows its lane, yet all lanes lead to the same goal.

Economic Affairs: How do you ensure that your organizations reach the most vulnerable and excluded communities?

Syed Imran Ahmad Shah: The Ministry ensures that its programs reach the most vulnerable and excluded populations through a coordinated system of complementary institutions: BISP, PBM, PPAF, and TVO each addressing a distinct stage of poverty alleviation, from identification and social protection to empowerment and long-term inclusion.

BISP serves as the national gateway for identifying poverty and vulnerability through the National Socio-Economic Registry (NSER) and Proxy Means Test (PMT). Households with PMT scores up to 32 are enrolled for

income support under Kafaalat and Nashonuma. To expand coverage in remote and underserved regions, BISP, in collaboration with NADRA and GIZ, has deployed 25 Mobile Registration Vans (MRVs) across Balochistan, Sindh, and Khyber Pakhtunkhwa, registering 191,000 households, with a target of 500,000 by June 2027. These mechanisms ensure that the poorest, particularly women-headed families, are not left outside the safety



net.

PBM complements this by extending district-level welfare and social services, identifying beneficiaries through NSER data and local validation. It provides financial assistance for treatment of major illnesses, supports education for underprivileged students through MoUs with public universities, and operates 165 Women Empowerment Centres offering vocational and digital skills.
PPAF, ensures that inclusion goes beyond identification, transforming poor households into self-reliant, organized, and empowered communities being part of their own development process for local economic development. Its area and beneficiary selection methodology combines data-driven targeting with participatory validation, ensuring outreach to the most excluded, women, minorities, youth, and persons with disabilities. PPAF prioritizes the lowest-ranked districts on the Multidimensional Poverty Index (MPI), as well as disaster-affected and climate-vulnerable regions, aligning closely with national and provincial poverty maps. At the community level, PPAF's model of social mobilization is key to reaching the last mile though BISP's Poverty Scorecard. Through an extensive network of 171,200 community institutions, PPAF has built a foundation of 2.67 million organized households across the country. These institutions are not merely beneficiaries but partners, identifying deserving households, managing resources, and sustaining development gains at the grassroots. This community-led approach ensures inclusion, transparency, and accountability that top-down systems often lack.

TVO further reinforces this ecosystem by channeling public and private resources to grassroots NGOs and community-based organizations, particularly in underserved and rural areas, to deliver education, health, and livelihood services.

Together, BISP, PBM, PPAF, and TVO form a continuum of support, BISP identifies and protects the poor; PBM and TVO address welfare and service delivery gaps; and PPAF organizes, empowers, and connects communities to sustainable livelihoods. This integrated, data-informed and community-driven model ensures that no household, however, remote, poor, or marginalized is left behind in Pakistan's poverty alleviation agenda.

Economic Affairs: How is the Ministry leveraging private investments to supplement public funds?

Syed Imran Ahmad Shah: Public funds alone cannot end poverty; sustainable progress depends on strategic partnerships that blend public purpose with private capital and innovation. The Ministry is actively engaging corporate and philanthropic partners to



complement government resources and scale impact across all its organizations.

For instance, through PPAF, a strong model of blended finance and corporate collaboration has been established. PPAF has partnered with leading private sector entities such as Engro, Shell, PepsiCo, PTCL and Citi, who co-invest in livelihoods, renewable energy, education, and youth entrepreneurship initiatives. These partnerships reflect confidence in PPAF's governance, transparency, and ability to deliver measurable social and economic impact.

At the same time, PBM continues to attract philanthropic and CSR contributions for its social welfare and education initiatives, while TVO channels corporate social responsibility (CSR) funds to grassroots NGOs delivering projects in health, skills, and livelihoods.

In parallel, BISP and PBM are engaging private partners to enhance service delivery through digital innovations, financial literacy programmes, and certified vocational training for women beneficiaries, improving efficiency, transparency, and empowerment.

Collectively, these partnerships demonstrate the Ministry's vision of combining compassion with capital, using private investment, innovation, and community engagement to strengthen the national poverty alleviation agenda and create sustainable opportunities for vulnerable communities.

Collectively, these partnerships demonstrate the Ministry's vision of combining compassion with capital, using private investment, innovation, and community engagement to strengthen the national poverty alleviation agenda and create sustainable opportunities for vulnerable communities.

Economic Affairs: What is your top mechanism for defining a household's successful graduation from poverty?

Syed Imran Ahmad Shah: The Ministry, through its ancillary organizations, and projects like NPGP, and the upcoming PGEP, implements a range of integrated interventions designed to help vulnerable households move from dependency to self-reliance. These multi-sectoral programmes combine productive asset transfers (such as livestock and enterprise tools) with skills training, financial inclusion through interest-free loans, and market linkages, enabling families to build sustainable livelihoods rather than rely on one-time assistance.

A household is officially

recognized as having graduated out of poverty when it achieves a Poverty Scorecard (PSC) score above 32 and maintains or improves this score for at least three consecutive years. This reflects both income stability and resilience against external shocks. The Ministry ensures credibility in this process through annual PSC surveys, independent third-party outcome evaluations, and systematic data exchange with BISP to verify long-term progress and prevent regression into poverty.



This rigorous and evidence-based graduation mechanism ensures that poverty reduction is measurable, sustainable, and transformative, turning short-term support into lasting socioeconomic empowerment.

Economic Affairs: How is the Ministry improving coordination between federal and provincial social protection programs to reduce duplication?

Syed Imran Ahmad Shah: Coordination is the missing piece in many public programs, and we're fixing that. My Ministry is working on different levels to improve coordination between Federal and Provincial Governments.

We intend to further integrate the various federal and provincial social protection & poverty graduation initiatives and has drafted a National Policy Framework for Poverty Alleviation and Social Protection. This, once approved by the competent forum, would help minimize duplication / overlapping of efforts and will ensure coherence. While formulating this framework, all stakeholders across the country, including the four provinces, AJK and GB, vulnerable groups (PWDs, farmers etc.), development partners, non-government organizations etc. were taken on board. Once approved by the appropriate forum, the framework will be put in action.

Ministry in partnership with GIZ under the 'Lead the Change' initiative, also offers a platform for building synergy and collaborations among the various social protection, poverty graduation, climate / disaster management agencies and planning & development departments of federal and provincial governments

Economic Affairs: Are there methods like poverty graduation that you consider ready to scale up with global or bilateral development partners?

Syed Imran Ahmad Shah: Yes, the Poverty Graduation Model developed and implemented by PPAF is a proven, scalable approach that has positioned Pakistan among global leaders in evidence-based poverty reduction. Built on decades of field experience, the model provides a structured pathway from social protection to self-reliance, combining productive asset transfers, skills training, financial inclusion, and market linkages, enabling poor households to move sustainably out of poverty.

The model's effectiveness has been validated internationally, including through the IFAD–PPAF pilot featured in The Science Magazine, which confirmed significant, sustained improvements in income, consumption, and food security among participating households. A recent analysis of 334,596 common PPAF–BISP beneficiaries demonstrated that 108,043 households (32%) are now eligible to graduate from BISP support, clear evidence of how social protection, when paired with livelihoods and financial inclusion, creates durable impact.

Under the National Poverty Graduation Programme (NPGP) over 26,000



households have already crossed the poverty line, while tens of thousands more are on track through interventions in 95 tehsils across 22 districts. Building on this success, the Government is now scaling up the approach through the Poverty Graduation for the Extremely Poor (PGEP) project, co-developed with the Islamic Development Bank, which integrates climate resilience and financial inclusion into the graduation framework, ensuring that households not only escape poverty but remain resilient to future economic and environmental shocks.

This model exemplifies Pakistan's shift from one-time assistance to sustainable, data-driven, and scalable poverty solutions, ready to be expanded nationally and shared internationally as a best practice for inclusive and climate-resilient development.

Economic Affairs: What is your plan to empower local governments to lead their poverty efforts?

Syed Imran Ahmad Shah: Local government is essentially a provincial subject, and its management and empowerment primarily rest with provincial governments. However, the Ministry through PPAF and its other programmes actively supplements and strengthens local poverty alleviation efforts by anchoring them in community-led structures closely linked with local administrations.

For example, through its extensive outreach across 157 districts, PPAF has facilitated the formation of over 171,200 Community Institutions (CIs), representing 2.67 million organized households. These community structures act as the foundation for participatory local governance, identifying local priorities, managing resources, and collaborating with district and tehsil administrations in planning and service delivery. By investing in capacity-building and institutional strengthening, PPAF ensures that these organizations become credible and self-sustaining partners, many now formally registered and independently managing local development.

In addition, our poverty graduation initiatives such as the National Poverty Graduation Programme (NPGP) and the Poverty Graduation for the Extremely Poor (PGEP) are designed to work through and strengthen these community institutions, linking them with local government systems for resource allocation, infrastructure rehabilitation, and livelihood development.





From Craft to Commerce and Cohesion:

Mainstreaming Pakistan's Cultural Economy

Pakistan's traditional crafts are more than expressions of cultural heritage. They are community capabilities with the potential to generate dignified livelihoods, strengthen local enterprise, and build social cohesion. Mainstreaming the cultural economy means connecting artisans to markets, finance, skills, technology, and institutions while ensuring that the communities who preserve Pakistan's diverse heritage also share in its economic value.

Aurangzeb Khan Khichi
Federal Minister for National Heritage and Culture

Throughout Pakistan, deft hands transform raw materials into objects that carry meaning far beyond aesthetics. An embroidered shawl, an ajrak, a crafted wood panel, or a blue pottery item contains much more than beauty alone. They embody the knowledge of a community, the memories of a region, and the effort of past generations. But the people carrying forward these traditions often operate on the fringes of the economy. It is Pakistan's task to bridge the gap between culture and opportunity, allowing the keepers of our heritage to earn a dignified and sustainable income from it.

That is why the cultural economy needs a place in Pakistan's discourse on poverty reduction. Craftsmanship is a capability that exists within communities, including regions where formal jobs are scarce. Mainstreaming it means recognizing artisans as economic agents and linking their skills to markets, financial systems, training, and public institutions. It also means understanding that prosperity and ownership go hand in hand. Communities



take pride in the contributions they make to the national identity and in the livelihoods they build from them.

Heritage as a Living Economic Resource

At Lok Virsa, we see heritage as a resource that lives through its custodians. Documentation and exhibition are part of the process of preservation, but they also depend upon the continuation and transmission of knowledge and practices. Once practitioners of a craft no longer have a way to earn enough to sustain their families or attract the next generation, that craft loses its viability.

Prosperity is thus a condition for the survival of a craft tradition.

Our task is to create an environment that allows an artisan to remain true to his or her heritage while responding confidently to the demands of modern consumers. Heritage institutions must link recognition with economic possibilities.

Bringing Artisans Closer to Markets

The barriers are many. Individual artisans and households involved in craftsmanship are often distanced from potential buyers and lack easy access to financing, transport, packaging facilities, and knowledge of changing consumption patterns. The final cost of an item does not always properly reflect the labour and skill invested in it. Women who produce crafts from their homes can be especially difficult to connect with markets and institutions.

These challenges call for assistance that starts from the ground up and goes beyond any individual exhibition or training programme.

Dastkaar Bazaar: Putting a Face to the Craft

Dastkaar Bazaar plays an important role in linking artisans and the public. Its value lies in exposing not just the craft but the person who made it.

Buyers are introduced to the artisan, how the craft was produced, and the knowledge required to create it. Such exposure can lead to better-informed purchases while enabling artisans to understand what customers want.

It reconnects commerce with a human face. A purchase is no longer simply a transaction but an introduction to a skill and its maker. This can lead to repeat purchases and personal recommendations, giving greater recognition and respect to traditional crafts.

Lok Shop: Bringing Heritage into Retail

The Craft Emporium complements this relationship by placing traditional goods in a structured retail environment. For the cultural economy to grow, buyers need convenient venues through which to explore traditional products. This is an opportunity to improve presentation, provide provenance information, and connect traditional products to everyday use and gifting.



Better presentation should make the value of craftsmanship evident while retaining the integrity of the craft. The goal is to encourage a wider public to recognize the quality inherent in traditional crafts and make their production more sustainable for their creators.

LokShop: Connecting Crafts to the Digital Market

LokShop expands this connection into the virtual marketplace. An online presence can make it easier for crafts to reach customers who cannot come to Islamabad and extend the interest generated by exhibitions beyond the event itself.

But real digital inclusion cannot be achieved by simply putting a photograph on the Internet. Detailed descriptions, accurate representations, timely delivery, and proper customer service are crucial. Artisans need assistance to enter online markets on an equal footing.

The promise of LokShop is to link cultural knowledge to convenient purchasing while maintaining the connection to the maker. Technology should broaden opportunities and strengthen the relationship between makers and buyers.

Lok Mela: From National Visibility to Sustained Commerce

Lok Mela brings all these relationships onto a national stage. With its craft displays, regional pavilions, performances, and demonstrations, it opens doors to sales and cultural exchange. People encounter heritage from across Pakistan in an environment that encourages curiosity and interaction.

Participation in the Mela provides artisans with an opportunity to gain recognition and meet new audiences. The next step is to sustain the relationships established there throughout the year. Customer inquiries, potential orders, and professional contacts made at the Mela should become the basis for continuing trade. A successful Mela should leave behind more opportunities after its booths are closed.

From Visibility to Enterprise

These programmes operate most effectively as integral components of a larger





initiative. The bazaar allows for individual interaction; the emporium provides access through retail; LokShop extends the reach digitally; and Lok Mela extends visibility nationally and internationally.

Documenting, interpreting through museums, and demonstrating crafts allows for a greater understanding of the skill behind them. Learning from and exchanging ideas with more experienced craftspeople can help create continuity.

Taken together, these functions provide a route from visibility to enterprise. Success can be assessed through the experiences of artisans: securing repeat orders, receiving fair returns, and building confidence about the future of their craft.

Craft, Commerce and Social Cohesion

In this way, the link with social cohesion becomes clear. Pakistan's cultural diversity becomes a resource for building shared strength when it is met with respect. A person who interacts with an artisan from another region gets to know that community personally.

Interaction through crafts happens through objects that are familiar: colours, textures, materials, and everyday uses. This kind of interaction may not solve all the issues of social division, but it can counter apathy and distance. It allows us to understand that our national heritage has been created by many communities whose contributions need to be equally acknowledged.

Commerce can make that recognition tangible. When producers, retailers, designers, and consumers work across regions, cultural exchange becomes a sustained relationship. Common economic interests can encourage cooperation, while equal access to opportunity can help build trust.

Social cohesion therefore depends upon who participates and who benefits. Women, remote communities, and less popular craft traditions need meaningful access to platforms and support. Our national cultural economy will be strongest when its diversity is reflected in the distribution of opportunities and artisans experience inclusion through income, recognition, and responsive institutions.

> Mainstreaming the cultural economy means recognizing artisans not simply as custodians of heritage, but as economic agents with skills, enterprises, and aspirations.



Building a Shared National Cultural Narrative

The Centre of Excellence for National Cohesion and Outreach at Lok Virsa provides this work with a higher purpose. Through the concept of Naqoosh-e-Watan, the National Cultural Narrative, we seek to understand the diverse heritage of Pakistan and its place in our lives.

The promotion of crafts becomes a means of achieving this. It illustrates that a national identity can accommodate distinct regional traditions and draw strength from them. Outreach to educational institutions is also of considerable value. Young people should see craftsmanship as a skilled profession with possibilities for creativity, research, and entrepreneurship, in addition to its historical and cultural significance.

This approach can benefit considerably from the involvement of the Federal Minister for National Heritage and Culture, Mr. Aurangzeb Khan Khichi, and the Federal Secretary, Mr. Asad Rehman Gilani. While the former stresses the importance of protecting traditional arts, promoting youth, and increasing public participation, the latter pays attention to institutional processes and the value of recognition.

For Lok Virsa, it is necessary to translate these elements of support into tangible opportunities for artisans.

Linking Cultural Heritage with Poverty Reduction

The Pakistan Poverty Alleviation Fund (PPAF) conference provides an excellent platform for further developing such a line of support. Poverty alleviation projects will be more responsive if they are based on skills already possessed by local communities.

Cooperation between cultural institutions and development organizations can make it possible to link the identification of artisans with community mobilization, enterprise support, and market access. In particular,



the focus should be on financial literacy, working capital, costing, design consulting, and collective arrangements for



transportation and marketing.

Such support should also consider the interests of producers. The growth of artisans' businesses should help them negotiate more effectively and receive a fair share of the value created by their products.

Innovation Without Losing Authenticity

Another equally important issue concerns the relationship between innovation and authenticity. Crafts should be able to evolve as tastes, materials, and ways of life change. Cooperation with designers can help develop modern products while retaining traditional techniques.

This cooperation should recognize the craftsperson as a knowledgeable partner whose views and contributions matter. At the same time, any effort to formalize small enterprises should provide visible benefits and convenient procedures. Registration, documentation, and access to financial services will be attractive only if they help producers secure orders and receive payments.

We should listen to artisans before developing programmes for them. Their understanding of the production cycle, household responsibilities, and local market conditions is critical to effective implementation.

A cultural economy developed with the participation of communities will be better placed to sustain livelihoods, preserve skills, and adapt to new opportunities. Community ownership of institutions intended to serve them would be another important outcome.

Making Cultural Enterprise Part of the Mainstream

Mainstreaming the cultural economy ultimately depends on changing Pakistan's attitude towards its craft makers. Their expertise must become part of discussions on entrepreneurship, employment, tourism, education, and development.

Institutional procurement, retail partnerships, and public engagement can help turn appreciation into demand. At Lok Virsa, we have a vision of an economy in which cultural activity provides dignity and sustainability, while diversity encourages respect for one another.

> When the opportunity to earn reaches the communities that preserve it, heritage can help strengthen the cohesion of the nation.

When craft-making is remunerative, commercial success helps sustain heritage. And when the opportunity to earn reaches the communities that preserve it, heritage can help strengthen the cohesion of the nation.



Aurangzeb Khan Khichi is the Federal Minister for National Heritage and Culture

Photo credits: Zain Mahmood

PPAF
An Institution with Future Vision



Mr. Nadir Gul Barech
Chief Executive Officer (CEO),
Pakistan Poverty Alleviation
Fund (PPAF)

PPAF has been a pioneering institution to empowering communities, transforming futures, and driving national poverty alleviation agenda through inclusive, scalable and evidence-based solutions.

Interview: Sohail Chaudhry

At the intersection of policy, innovation, and grassroots action stands the Pakistan Poverty Alleviation Fund (PPAF) — an institution quietly but powerfully reshaping the landscape of poverty alleviation in Pakistan. As a national platform with global recognition, PPAF has championed the cause of inclusive development since its inception, anchoring its mission in transparency, autonomy, and evidence-based strategy.

Guided by a 12-member board comprising leading voices from civil society, government, and academia, PPAF operates with integrity and strategic foresight. Its blended finance model, which combines government endowment with multilateral donor partnerships, has unlocked over a billion dollars in development capital—transforming rural economies, empowering women, and bolstering climate resilience.

As Pakistan embarks on bold new national initiatives such as the Uraan Pakistan Plan, PPAF's proven Poverty Graduation Model, vast institutional footprint, and people-first ethos make it a natural partner in delivering scalable, sustainable, and inclusive solutions. What follows is a deep dive into how this pioneering institution is enabling self-reliance at scale.

In this exclusive interview, the CEO of PPAF Mr. Nadir Gul Barech reflects on the institution's genesis, its evolution, and role in shaping a more equitable Pakistan. With the mandate and a governance structure designed to insulate it from political influence, PPAF was envisioned as a professional and independent alternative to conventional poverty programs. Today, it stands as a testament to what can be achieved when public goals are pursued with private-sector efficiency and community-led values.



Here are the excerpts of the interview;

When and why was PPAF established, and how is its governance structured to ensure transparency and autonomy?

The PPAF was established in 1997 as a not-for-profit company under Section 42 of the Companies Ordinance 1984 (now Companies Act 2017) and started operations in April 2000. Conceived under the vision of the then Prime Minister, PPAF was designed to address the limitations of conventional poverty reduction programs by creating an autonomous, professionally managed, and politically neutral institution. As stated in the original Prime Ministerial Summary, PPAF was intended to function as a legally independent, non-governmental entity that would avoid the inefficiencies of bureaucratic structures and political interference.

PPAF's governance model is grounded in transparency, accountability, and professional oversight. The institution is overseen by a 12-member Board of Directors (BoD), including three nominees from the Government of Pakistan and eight members from civil society, academia, and the professional sector, elected by PPAF's General Body for a three-year term. The Chief Executive Officer serves as the 12th member of the Board. The BoD is supported by five specialized subcommittees: audit, risk management, human resources, executive strategy and design, and search and nomination.

You are bringing together government, development partners, practitioners and other stakeholders at the international conference in

October. What do you want the conference to achieve?

For me, this is not another conference where we listen to speeches and then go home. We already know a great deal about how to help a family move out of poverty. The harder question is how we make sure that family stays out of poverty. That is why we are focusing on how to make poverty reduction last.

We want to bring together, in this conference, the people who are working on poverty reduction from different sides — government, development partners, practitioners, communities and the private sector — and put the same question in front of all of them: what does it take to make poverty reduction sustainable?

I would like the conference to move beyond discussion and result in practical commitments regarding who will do what, and how we will measure whether families are actually able to sustain the gains they have made. That, for me, is the real purpose of the conference.

How is PPAF financed, and what enables it to operate as a financially self-sustaining institution?

PPAF's financial sustainability is anchored in a robust and diversified funding structure. At its core is a PKR 1 billion Endowment Fund provided by the Government of Pakistan, invested in Pakistan Investment Bonds (PIBs) to ensure long-term financial autonomy.

Additionally, PPAF has effectively managed PKR 17.56 billion in government-lent funds under World Bank and International Fund for Agricultural Development (IFAD) supported projects, with around 85% already repaid and the remainder being paid on schedule.

Leveraging its strong financial base and high-impact development portfolio, PPAF has mobilized over USD 1 billion from international donors such as the World Bank, European Union (EU), IFAD, United States Agency for International Development (USAID), German Development Bank (KfW), and United Nations High Commissioner for Refugees (UNHCR), as well as major corporate partners.

It also co-founded the Pakistan Microfinance Investment Company (PMIC) in 2016, contributing PKR 3 billion in equity (49% shareholding).

PMIC has since extended 5.18 million loans worth PKR 305.66 billion (including reflows), 86% of whom are women.

How does PPAF align with the Government of Pakistan's national poverty reduction agenda through the Poverty Graduation Model?

PPAF serves as a key partner to the Government of Pakistan in advancing its poverty alleviation agenda by translating national policy into localized, evidence-driven impact. With outreach in 157 districts nationwide through 164 civil society partner organizations, PPAF ensures last-mile delivery of development interventions across diverse geographies. Our globally recognized Poverty Graduation Model complements flagship government social protection programs such as Benazir Income Support Programme (BISP) by offering structured and scalable pathways from social assistance to sustainable livelihoods. Customized to Pakistan's context through the Poverty Scorecard, this phased model moves ultra-poor households through targeted support—managing spending, skills training, asset transfers, and financial inclusion—toward lasting self-reliance.

Validated by international studies, including Science Journal publication, the model is cost-effective, flexible, and closely aligned with the Sustainable Development Goals (SDGs). A recent analysis of 334,596 common PPAF–BISP beneficiaries revealed that 108,043 (32%) are ready to graduate from BISP.



Through layered targeting system, **PPAF** has mobilized millions of individuals into grassroots community institutions that serve as local delivery platforms for social, financial, and infrastructure services.

What positions PPAF as a natural partner to support the Uraan Pakistan Plan, particularly in poverty reduction, gender empowerment, and climate resilience?

PPAF's community-led, multidimensional development model is fully aligned with the Uraan Pakistan Plan. With outreach in 157 districts through 164 civil society partners and 171,200 community institutions—63% women membership—PPAF ensures inclusive and targeted delivery at the grassroots level.

Its globally recognized Poverty Graduation Model supports Uraan's goals of reducing multi-dimensional poverty by 11% and income poverty by 13%. A recent analysis of 334,596 common PPAF–BISP beneficiaries revealed that 108,043 (32%) are ready to graduate from BISP. PPAF has provided 206,800 households with productive economic assets (63% to women) and trained 501,500 individuals (45% women) leading to increased incomes and economic resilience. Of those trained, 57% are self-employed while 16% are employed with others. More than 88,000 jobs have been generated through small and medium enterprise support.

PPAF contributes directly to Uraan's targets for gender and youth inclusion—such as increasing female labor force participation by 17% and reducing youth unemployment by 6%—by ensuring that women receive the majority of loans, trainings, and enterprise support. Around 55% beneficiaries of PPAF's multi-sectoral interventions are women.

On climate action, PPAF's interventions directly support Uraan's adaptation and mitigation objectives. These include construction of 122,000 seismically safe houses post-2005 earthquake, 1,615 renewable energy projects generating 18.56 Mega Watt (MW) of clean energy, conservation of 2.23 million cubic meters of water, and plantation of 436,000 trees (including 162,000 olive trees). Flood relief efforts have supported more than 136,000 households across the 2022, 2023 and 2025 floods (including 49,127 households in 45 districts in 2025 alone). emergency responses like the COVID-19 Fund assisted

66,000 households in 20 districts in 2020. These efforts that align with national climate resilience and natural resource management goals and benefiting millions of households.

PPAF's proven models, results-based approach, and national presence position it as a key implementation partner to translate Uraan Pakistan's vision into tangible, inclusive development outcomes.

As a leader in microfinance sector developer, how does PPAF empower the economically excluded?

PPAF has established itself as a key sector developer in financial inclusion by combining innovation, institutional strengthening, and equitable access to capital. As part of its mission to empower marginalized communities, PPAF has disbursed over 8.4 million microcredit loans, with 60% directed to women and 80% to rural areas, helping low-income households initiate or expand microenterprises and achieve greater financial resilience.

Additionally, under the Prime Minister's Interest-Free Loan (PMIFL) Programme, PPAF has disbursed 3.69 million loans, amounting to PKR 139.61 billion (including reflows), with 57% of the loans provided to women. 98% of these loans have been fully repaid.





Average loan size is approximately Rs 37,000, with a ceiling of Rs 75,000. Household monthly income increased from Rs 23,350 to Rs 48,112 between midline and endline of the programme evaluation, representing 106% growth. These initiatives have played a pivotal role in reducing financial exclusion and enabling vulnerable populations to participate in the economy with dignity.

To institutionalize its role in the sector, PPAF launched the Pakistan Microfinance Investment Company (PMIC) in 2016—a strategic spin-off in partnership with KfW and Karandaz, aligned with the State Bank of Pakistan's financial inclusion agenda.

With a 49% equity stake, PPAF enabled PMIC to disburse PKR 305.66 billion (including reflows) in microfinance, 86% of whom are women.

These efforts are integral to

PPAF's Poverty Graduation approach, which links financial services with skills training and asset transfers to facilitate long-term economic self-reliance. By integrating community-driven models with institutional innovation, PPAF continues to shape Pakistan's financial landscape—paving the way for inclusive, sustainable economic development.

How does PPAF ensure that the most marginalized and vulnerable are reached effectively?

PPAF adopts a data-driven, evidence-based approach to ensure its interventions reach the poorest and most vulnerable communities. High-poverty districts are identified using the Geography of Poverty report, which applies a multidimensional deprivation index based on indicators across education, health, living conditions, and asset ownership. This targeting enables focused investment in severely underserved areas.

Within these priority districts, PPAF identifies ultra-poor households using the Poverty Scorecard (PSC)—a simple, transparent, and verifiable targeting tool used by BISP. The PSC applies policy-defined cut-offs and uses a concise set of indicators that field workers can score in real time, allowing for objective identification of the poorest households. It also enables tracking of household progress over time, aligning well with PPAF's Poverty Graduation model.

Through this layered targeting system, PPAF has mobilized millions of individuals into grassroots community institutions that serve as local delivery platforms for social, financial, and infrastructure services. The approach ensures inclusion of women, youth, persons with disabilities, and disaster-affected populations not just as recipients, but as active agents of change in their communities.

Furthermore, PPAF ensures community engagement and ownership by implementing a community-driven development model projects through its extensive network of partner civil society organizations. So far, PPAF has established 171,200 Community Institutions (CIs), representing 2.67 million households across 157 districts. 82% of community infrastructure schemes are regularly maintained by the communities themselves. Overall, 35,290 community physical infrastructure schemes have been completed, serving 17.57 million people (51% women).

PPAF's community-led, multidimensional development model is fully aligned with the Uraan Pakistan Plan. With outreach in 157 districts through **164** civil society partners and **171,200** community institutions—**63%** women membership—PPAF ensures inclusive and targeted delivery at the grassroots level.

What is PPAF's contribution to achieving the Sustainable Development Goals (SDGs)?

PPAF plays a vital role in supporting Pakistan's SDG agenda by aligning its institutional strategy with national priorities and partnering closely with the Ministry of Planning, Development and Special Initiatives. Through its Strategy 2021-2025, PPAF contributes directly to 11 SDGs, including those related to poverty reduction, gender equality, decent work, quality





education, health, clean energy, and climate resilience.

PPAF's community-led development model addresses both economic and social dimensions of poverty. Its efforts in institutional strengthening, livelihood enhancement, and infrastructure development have reached millions, with a strong focus on inclusion and sustainability. By empowering local institutions, supporting productive assets and financial services, and improving access to education, health, water, and energy, PPAF directly advances Pakistan's commitment to the 2030 Agenda.

As a trusted national platform with a broad outreach and strong delivery systems, PPAF remains a key partner in translating SDG commitments into real, measurable impact on the ground.

How does PPAF engage with civil society to strengthen social harmony and promote national unity across Pakistan by commemorating national days?

PPAF is strongly committed to promoting national pride, civic responsibility, and social cohesion through inclusive community engagement. In collaboration with its nationwide network of implementing partners and thousands of community institutions, PPAF has organized and supported a range of events to commemorate key national days.

Most recently, Yaum-e-Takbeer and Yaum-e-Tashakur were celebrated across the country, highlighting Pakistan's resilience, unity, and collective achievements through one voice of civil society and community-led, participatory activities. Overall, 282 events were organized, attended by thousands of individuals, including women, youth, and children. These events were not limited to single-day observances but were marked over extended periods—ranging from 15 days to one month—enabling broader participation and deeper engagement at the grassroots level.

Building on this momentum, PPAF has celebrated Independence Day and Defence Day under the Resilient and Rising Pakistan campaign across its programme areas, following the same inclusive and extended format. Planned activities include cultural performances, awareness sessions, cheque distribution, tree plantation drives, infrastructure scheme inaugurations, certificate distributions, youth competitions, and flag-hoisting ceremonies, with a strong focus on engaging women, youth, and marginalized groups in meaningful expressions of national solidarity and shared identity.

Below is a summary of national events celebrated and planned through PPAF's partners:

Event	Status	Number of Events	Key Focus
Yaum-e-Takbeer	Celebrated	185	National resilience, unity, and self-reliance
Yaum-e-Tashakur	Celebrated	97	Gratitude for peace, security, and community contributions
Independence Day	Celebrated	1,322	Patriotism, cultural expression, youth and women engagement
Defence Day	Celebrated	1,136	Tribute to armed forces, national solidarity, civic pride

Through these wide-reaching and inclusive initiatives, PPAF not only celebrates Pakistan's national milestones but also strengthens its commitment to social unity, community empowerment, and nation-building.

Closing Perspective

PPAF is proud to be recognized as a national driver of poverty alleviation and community empowerment. Our globally recognized Graduation Model, deep-rooted institutional network, and robust evidence base position us to help Pakistan transition from safety nets to sustainable livelihoods.

With the government's increased social protection budget, there is a critical opportunity to scale this model nationwide.

Together, we can build a self-reliant, resilient, and inclusive Pakistan — where prosperity is shared, and no one is left behind.

PPAF's governance model is grounded in transparency, accountability, and professional oversight. The institution is overseen by a 12-member Board of Directors (BoD), including three nominees from the Government of Pakistan and eight members from civil society, academia, and the professional sector, elected by PPAF's General Body for a three-year term.



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BEYOND *Blueprints*

How PPAF, Civil Society Organizations, and the RSP Network Unlocked Community-Led Poverty Graduation in Pakistan

Khaleel Ahmed Tetlay
Ex-Chief Operating Officer of Rural Support Programmes Network.



In the early 1980s, high among the rugged valleys of Gilgit-Baltistan, a fundamental question began to reshape the philosophy of international development. For decades, rural poverty across the Global South had been treated as an administrative failure, a deficit of public infrastructure, agricultural inputs, and government services to be delivered from above. Yet, in remote mountain communities where state line departments rarely reached, centralized blueprints consistently broke down. The turning point arrived when practitioners stopped treating poor households as passive recipients of aid and began viewing them as the primary architects of their own progress.

That intellectual shift, pioneered in Pakistan over four decades, offers a crucial lesson for the contemporary development sector: lasting socio-economic transformation does not begin with a rigid institutional blueprint. It begins when people organize themselves, recognize their collective strength, and acquire the structural means to act. At the heart of this unfolding story sits the Pakistan Poverty Alleviation Fund (PPAF). Operating as the national apex development institution, PPAF did not merely finance grassroots projects; it built the financial, institutional, and partnership architecture that elevated a regional social experiment into a globally recognized engine for poverty graduation, climate resilience, and community sovereignty.

> "Seeing is believing. You cannot convince people through theoretical arguments; you must demonstrate in practice that when poor households are organized and trusted with resources, they manage them with far greater discipline than any external bureaucracy."
>
> ***Shoaib Sultan Khan, Chairman of the Rural Support Programmes Network (RSPN)***

1. The Genesis: Rethinking the Architecture of Rural Development

The intellectual foundations of community-led development in Pakistan were shaped by Dr. Akhter Hameed Khan through his landmark Comilla Project in East Pakistan (now Bangladesh) and brought into large-scale practice by Shoaib Sultan Khan. When the Aga Khan Rural Support Programme (AKRSP) was established in 1982 in northern Pakistan, it faced a complex geography of dispersed settlements, fragile mountain ecosystems, and severe market isolation. Traditional administrative approaches were fundamentally unsuited to such realities.

Rather than asking the conventional bureaucratic question - "What services should we distribute to the poor?"—AKRSP began with a radical proposition: "How can villagers organize themselves to unlock their own collective potential?" The goal was never to bypass or substitute the state. Government remains indispensable for policy, regulatory frameworks, major infrastructure, and macro-level public resource allocation. Instead, the initiative sought to forge a vibrant, organized partnership between citizens, support organizations, and the state.

The Three Pillars Framework: This institutional approach rests on three mutually reinforcing pillars:

- **The Administrative Pillar:** comprising state institutions responsible for public administration, regulatory enforcement, macro-infrastructure, and national development spending.
- **The Political Pillar:** encompassing formal political institutions through which citizens exercise democratic representation, policy advocacy, and legislative governance.
- **The Social (Citizens') Pillar:** consisting of self-organized citizens and their federated community institutions (Community



Organizations, Village Organizations, and Local Support Organizations), enabling poor households to aggregate demand, pool savings, manage assets, and engage constructively with state and market actors.

AKRSP proved that organized communities could identify priorities, build local leadership, and execute small-scale infrastructure projects far more efficiently than external contractors. Yet, as the 1990s approached, a monumental institutional challenge emerged: how could a model born in the high mountains of the north be replicated across a nation of hundreds of millions?

2. PPAF's Strategic Role in National and Regional Development

The answer took shape in the mid-1990s. Senior officials from the World Bank and the Government of Pakistan conducted immersive field visits to Baltistan, witnessing firsthand how community institutions managed irrigation channels, micro-hydro schemes, and village savings funds. The experience demonstrated that social mobilization was not an isolated regional phenomenon, but a universal institutional methodology. In 1997, the Pakistan Poverty Alleviation Fund was established to serve as the national apex mechanism designed to take community-driven development to scale.

PPAF's master stroke was its institutional design. Rather than building a vast, parallel state bureaucracy with offices in every district, PPAF adopted a multiplier partnership model. It operated as an institutional venture developer and wholesale financier, channeling resources through established Civil Society Organizations (CSOs) and the Rural Support Programmes Network (RSPN). These partner organizations brought deep field presence, cultural nuanced understanding, and community trust, while PPAF provided rigorous financial management, monitoring architecture, technical oversight, and access to international capital.

Pioneering and Scaling Poverty Graduation

PPAF's most strategic methodology contribution to global development is its pioneering work in the poverty graduation approach. Microfinance had long been hailed as a panacea for rural poverty, yet practitioners increasingly recognized that microcredit alone rarely reached the poorest of the poor those living in extreme poverty who lacked basic productive



> "PPAF's structural innovation was operating as a multiplier—financing capable local partner organizations to scale capability and community capacity rather than constructing a monolithic implementation bureaucracy."
>
> *- Adapted from World Bank Project Evaluation & Appraisal Documents (PPAF I–III)*



assets and could not absorb the risk of debt. PPAF integrated social mobilization with a carefully sequenced, multi-dimensional graduation pathway:

1. Rigorous Poverty Profiling: Employing scientific Poverty Scorecards (PSC) to identify households living below the poverty threshold.

2. Productive Asset Transfers: Providing tailored, productive physical assets such as livestock, artisanal tools, or small retail inventory without debt obligations to build a stable productive floor.

3. Capacity Building & Enterprise Training: Delivering intensive technical, vocational, and financial literacy training to ensure asset survival and enterprise growth.

4. Financial Inclusion & Market Linkages: Connecting graduated households to community savings groups, microfinance institutions, and broader commercial supply and value chains.

Through flagship initiatives such as the National Poverty Graduation Programme (NPGP) funded by the International Fund for Agricultural Development (IFAD) and the Government of Pakistan, PPAF scaled this methodology across dozens of rural districts. In doing so, PPAF established an operational framework that influenced poverty alleviation strategies across South Asia, demonstrating how national cash-transfer safety nets (such as the Benazir Income Support Programme) can be effectively paired with graduation pathways to move households permanently out of extreme poverty.

3. What Independent Evaluations Reveal: Rigorous Impact and Outcomes

Over two decades of independent empirical evaluations by international research institutions validate the transformative reach of PPAF's social mobilization and poverty graduation architecture. Randomized controlled trials and long-term panel studies confirm that participating households achieve sustained increases in real consumption expenditure, demonstrating that targeted graduation pathways establish a permanent trajectory out of

extreme poverty rather than a temporary buffer against shocks. By combining asset transfers with tailored capacity building, ultra-poor families successfully accumulate net productive assets and transition from precarious seasonal labor toward diversified income streams, including livestock management, micro-enterprises, and rural trade.

This approach has proven equally transformative for gender equity and public investment efficiency. Prioritizing women as primary asset recipients and community leaders has expanded female participation in household decision-making and local governance, fundamentally shifting civic dynamics across traditionally conservative regions.

Simultaneously, economic evaluations show that community-managed physical infrastructure consistently outperforms traditional public procurement, delivering facilities faster, at lower cost, and with superior long-term operational viability sustained by local ownership and maintenance funds.

4. Modern Frontiers: Adapting to 21st-Century Policies

Rural Pakistan today operates in a context vastly different from that of the 1980s. Climate-induced disasters, most



catastrophically illustrated by the devastating 2022 monsoon floods, digital acceleration, rapid youth urbanization, and economic volatility present unprecedented challenges. Yet, it is precisely in times of crisis that the federated network of Community Organizations, Village Organizations, and Local Support Organizations demonstrates its ultimate value as a resilient national asset.

When floodwaters submerged one-third of the country in 2022, PPAF and the RSP network mobilized existing community institutions as immediate disaster response platforms. Because these community groups maintained verified household registries, established local leadership, and deep institutional trust, relief supplies and emergency financial aid were distributed with speed and transparency that traditional state emergency services could rarely match.

- **Pioneering Climate Resilience & Digital Futures:** Looking forward, PPAF is leveraging this social infrastructure to address emerging frontier challenges:

- **Climate Adaptation:** Transforming community institutions into climate-resilience hubs, financing drought-resistant agriculture, solar-powered irrigation micro-grids, and localized disaster risk management systems.

- **Digital Inclusion:** Integrating mobile banking, fintech solutions, and digital literacy into village savings groups, enabling remote micro-entrepreneurs to access national markets.

- **Youth Enterprise Ecosystems:** Shifting focus from basic subsistence farming toward vocational incubation, green tech skills, and high-value agricultural supply chain integration for millions of young rural citizens.

5. Strategic Lessons for the Global Development Sector

As international donors, policymakers, and development institutions strive to advance global poverty alleviation and gender equality, Pakistan's PPAF-RSP ecosystem offers vital strategic lessons. The primary insight is that sustainable scale comes from expanding institutional capability rather than administrative bureaucracy; supporting rooted civil society organizations achieves far greater reach, adaptability, and cost-efficiency than constructing top-down state machinery. Moreover, effective poverty graduation requires a deliberate sequencing of intervention - social mobilization and unconditional asset transfers must lay the groundwork before microfinance and formal markets can be meaningfully accessed by the ultra-poor.

Crucially, lasting impact depends on building enduring citizen institutions. While conventional projects sunset within a few years, federated, community-led organizations remain in place for decades, continuously evolving to address emerging priorities like climate resilience and local economic development. Finally, grounding development strategy in rigorous, continuous empirical evaluation ensures operational learning, validates program efficacy, and builds the long-term institutional credibility needed to secure multi-decade partnerships and sustainable funding streams.



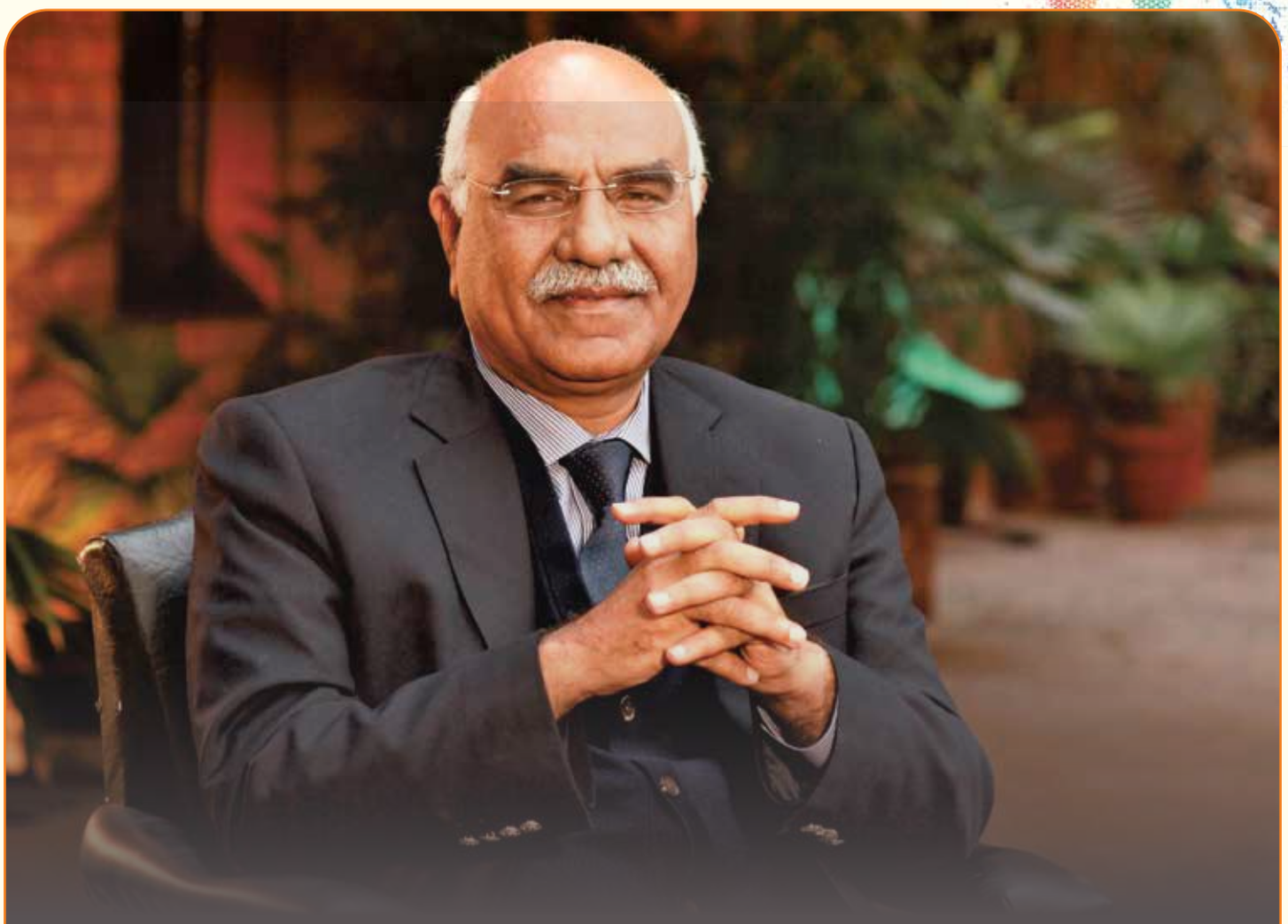
Conclusion: A Timeless Paradigm for Human Sovereignty

The evolution of community-driven development in Pakistan is fundamentally a narrative of synergistic partnership. Dr. Akhter Hameed Khan framed the intellectual concept; Shoaib Sultan Khan and AKRSP proved its empirical viability; the RSP Network expanded its reach across diverse provinces; and PPAF provided the national financing, technical rigor, and policy bridge necessary to scale the model across a nation of over 240 million people.

As the Global South confronts intensifying climate shocks and economic shifts, the central takeaway of Pakistan's four-decade journey remains strikingly clear: poor households are not passive recipients of charity or victims awaiting relief. When organized into democratic, transparent institutions, equipped with productive capital, and connected to national opportunity systems, they become the primary drivers of their own economic destiny. PPAF's enduring legacy is having provided the world with unequivocal proof that trusting organized people is the most powerful development strategy of all.



Khaleel Ahmed Tetlay is the Ex-Chief Operating Officer of Rural Support Programmes Network.



Credit with Dignity

The success and impact of the Prime Minister's Interest-Free Loan Program

Dr. Muhammad Amjad Saqib (SI,HI) Founder and Chairman Akhuwat

Few development ideas had been doubted quite often as interest-free lending to the poor. For decades, conventional wisdom held that the poorest households are too risky to lend to, and that any credit they receive must come at cost high enough to cover that risk. The Prime Minister's Interest-Free Loan (PMIFL) Program was built on the opposite conviction that the poor are creditworthy, that they need capital more than charity, and that a loan given without interest and with dignity can help a family stand on its own feet. The idea draws on the ancient principle of Qarz-e-Hasan, the benevolent loan.

Launched by the Government of Pakistan in June 2014 under the Prime Minister's Youth Program, PMIFL has now completed more than a decade. Its implementation was entrusted to the Pakistan Poverty Alleviation Fund (PPAF). An independent impact assessment completed in June 2026 now allows us to judge its results on evidence rather than conviction.

Why interest-free, and role of PPAF

Poverty in Pakistan is multidimensional, and for a poor family formal credit is almost always out of reach. There is no collateral, no credit history and often incomplete documentation. Informal money lenders fill the gap at rates that turn a loan into a trap. Conventional microfinance has widened access, but its cost, and



deeply held reservations about riba, still keep many of the poorest away. These concerns have also encouraged a number of microfinance institutions to explore a transition from conventional to Islamic microfinance models and related funding opportunities.

PMIFL was designed for exactly these households. Loans go to families scoring up to 40 on the Poverty Scorecard who have a viable plan for an income-generating activity. There is no interest, instalments are small and regular, and at least half of all lending is reserved for women. The loan ceiling began at PKR 50,000, rose to PKR 75,000 in the second phase launched in 2021, and now extends up to PKR 100,000. PPAF sets the standards, manages the funds and monitors performance, while 26 partner organizations deliver loans through community-based loan centers in 110 districts. Alongside credit, borrowers receive enterprise training, financial literacy and market linkages. Every rupee repaid is lent again.

The Government's choice of PPAF to lead this effort was deliberate. Established in 1997 as the country's apex institution for community-driven development, PPAF brought nearly two decades of experience in microfinance, livelihoods and institutional strengthening, along with a network of partner organizations rooted in poor communities. Under an agreement with the Ministry of Finance, PPAF drew up the program's operating procedures and eligibility criteria, selected and trained its partners, and built a monitoring system to track every single loan.

Key achievements

By June 2026 PMIFL had disbursed nearly **3.69 million loans worth PKR 139.61 billion** (including reflows). Reach extends well beyond Punjab's 2.9 million loans, with more than 330,000 loans in Khyber Pakhtunkhwa, over 314,000 in Sindh, and tens of thousands each in Azad Jammu and Kashmir, Gilgit-Baltistan and Balochistan. Borrowers invested mainly in livestock and farming (44 per cent), trade (25 per cent), services (20 per cent) and agriculture (10 per cent).

The revolving design made this scale possible. Federal allocations across the two phases totaled a little over PKR 9 billion, and the impact assessment found that these seed investments revolved six times, reaching far more families than a one-time grant ever could. Over the same period, more than 700 loan centres have evolved

into community-managed entities, leaving behind local institutions as well as loans.

PMIFL has also become the financial inclusion pillar of the Government's poverty graduation agenda. Under interventions linked to the National Poverty Graduation Program, it disbursed 302,585 loans against a target of 228,926, an achievement of 132 per cent, and more than 300,000 loans have gone to beneficiaries of the Benazir Income Support Program.

Measured impact

The impact assessment, conducted by the Center for Development Evaluation (C4DE), surveyed 2,411 borrower households across ten districts and added focus group discussions and interviews with partner organizations. Its findings are striking:

- Poverty graduation: 85 per cent of households improved their Poverty Scorecard score. About half now score above 40, the program's own eligibility threshold, compared with none at the time of their first loan. The share of extremely poor households halved, from 6 to 3 per cent, and the chronically poor fell from 14 to 5 per cent.
- Income: average monthly household income rose from PKR 23,350 at midline to PKR 48,112 at endline, and the share of households earning more than PKR 50,000 a month grew from 5 to 33 per cent.
- Repayment: 98 per cent of sampled borrowers had repaid their loans in full.
- Productive use: the share of loans invested in income-generating activities rose from 89 per cent in the first loan cycle to 96 per cent in the third.
- Integrity of delivery: 97 per cent of borrowers reported no problems in loan processing, and the evaluators found no evidence of informal payments or unofficial charges.



These results should be read with care; the study had no comparison group, and incomes were measured across years of high inflation. Yet the consistency of the evidence, across poverty scores, income, repayment and behavior leave little doubt about its direction.

Contribution to inclusive economic empowerment

The program's deepest contribution lies in whom it reached. More than 2.1 million loans, or 57 per cent of the total, went to women, well above the 50 per cent target, and women's share of borrowers rose from 51 per cent in the first loan cycle to 61 per cent in the third. The gains went beyond access. Women reporting control over their own business rose from 61 to 67 per cent, bank account ownership among women borrowers nearly doubled from 15 to 29 per

> The program's real achievement is not simply the number of loans disbursed, but the number of families able to turn modest capital into productive livelihoods, greater economic agency and renewed hope.

cent, and female employment in borrower enterprises rose from 0.2 to 8 workers per 100 businesses. Women described greater respect at home and a stronger voice in decisions on household spending and their children's education.

Young people were a second priority, receiving 39 per cent of all loans. PPAF estimates that the program has supported some 2.1 million



self-employment opportunities and micro-enterprises, which in turn created around 193,000 additional jobs. Partner organizations also reached very poor and isolated communities, including remote parts of Balochistan, where no other microfinance provider operates.

Implementing Partners

Out of the 26 organizations implementing the program, six have carried much of the load; Akhuwat Islamic Microfinance (AIM), the Sindh Rural Support Organization (SRSO), FFO Support Program, Agahe Pakistan, the National Rural Support Program (NRSP) and the Rural Community Development Program (RCDP). Among them, Akhuwat has played a leading role in overall delivery, disbursing some 322,000 loans worth PKR 14 billion with a remarkable recovery rate of 99.97 per cent. It has met its disbursement targets and maintained that strong recovery even in difficult areas of Balochistan, Khyber Pakhtunkhwa and Gilgit-Baltistan, where distance and thin markets test any lending model. Its contribution has gone well beyond disbursement. Akhuwat also played a pivotal role in shaping the strategy for making the program sustainable by eliminating the burden of operational costs from the federal Govt. and PPAF. Akhuwat developed the Shariah-compliant products, implementation manuals and related forms for the program, and trained the staff of all partner organizations to put them into practice.

> The poor are not a liability to be managed, but partners to be trusted. Given capital without interest and with dignity, families can build businesses, raise incomes and create opportunities for others.

Lessons learned

Interest-free is the engine, not a concession. Borrowers repeatedly cited the absence of interest as the reason they applied, invested and repaid. A 98 per cent repayment rate should retire the belief that the poor will not repay money that carries no interest.



Trust is the real collateral. Most borrowers learned of the program through neighbors and community networks, and most were helped by loan center's staff to complete their applications. Community verification kept selection fair and protected the program's credibility.

Credit works best in sequence with social protection. About a third of borrower households also receive BISP support. Cash transfers for steady consumption; interest-free loans build assets. Together they form a ladder out of poverty.

Loan size must keep pace with prices. Average loans rose from about PKR 30,000 in the first cycle to over PKR 43,000 in the third, yet borrowers consistently told evaluators that inflation had eroded what a loan could buy.

Interest-free for the borrower is not cost-free for the system. Loan officers, monitoring and outreach in remote districts must be paid for. Against PKR 993 million provided by the Government towards partners' operational costs, PPAF has contributed PKR 2.72 billion from its own resources to keep the program running. That commitment cannot replace a predictable financing arrangement.

The way forward

PPAF has already acted on the question of sustainability. In 2024 its Board decided to gradually introduce Shariah-compliant financing into the program. Partner organizations were trained in the new Islamic modalities in collaboration of Akhuwat Islamic Microfinance, pilot operations began in July 2025, and by June 2026, 36,332 Shariah-compliant financings worth PKR 2.8 billion had been disbursed. Qarz-e-Hasan remains the entry point for the poorest, while households whose enterprises have grown can move to ethical, asset-backed financing that covers its own costs.

The impact assessment points to further priorities; index loan ceilings to inflation; provide hardship top-ups for partners in remote districts and funding for female outreach staff; create a dedicated budget line for administration and independent monitoring; build structured pathways for mature borrowers into Islamic finance institutions; and embed PMIFL in the Government's poverty graduation architecture, with multi-year funding and predictable reimbursement of operational costs, so that it endures across political cycles.

Conclusion

The Prime Minister's Interest-Free Loan Program has proved something Pakistan's development debate too often forgets. The poor are not a liability to be managed but partners to be trusted. Given a modest amount of capital, without interest and with dignity, millions of families have built businesses, raised their incomes and repaid what they borrowed so that others could borrow in turn. The task now is to protect that revolving trust, to finance it sustainably and to let it grow into a broader system of ethical, inclusive finance. If we do, the spirit of Mawakhat will not remain a memory from our history. It will become part of our national economy.

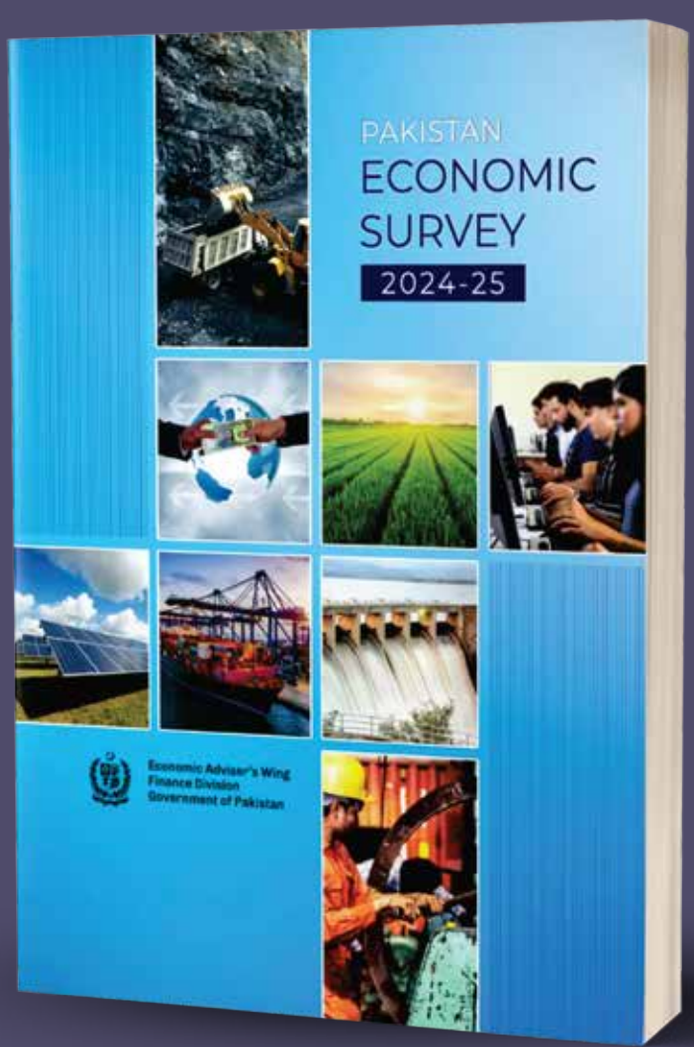


Dr. Muhammad Amjad Saqib (SI,HI) is a renowned social entrepreneur, development practitioner, former civil servant and author. He is the founder and executive director of Akhuwat Foundation.

Empowering Communities Transformation Futures

PPAF's Model Recognized in Pakistan Economic Survey 2024–25

Shahzada Irfan Ahmed



The Pakistan Economic Survey 2024–25 has placed the Pakistan Poverty Alleviation Fund (PPAF) at the forefront of the nation's poverty alleviation architecture, commending its pioneering community-driven model and its comprehensive contribution to Pakistan's development goals. With a legacy grounded in inclusive development and social equity, PPAF is playing a catalytic role in reshaping the lives of millions through a multidimensional, integrated, and evidence-based approach.

Recognized as a high-performing national institution, PPAF continues to drive impactful transformation across 150 districts through localized engagement, institutional strengthening, and multi-sectoral delivery.

Community-Centric Development: A Poverty Graduation Model for National Transformation

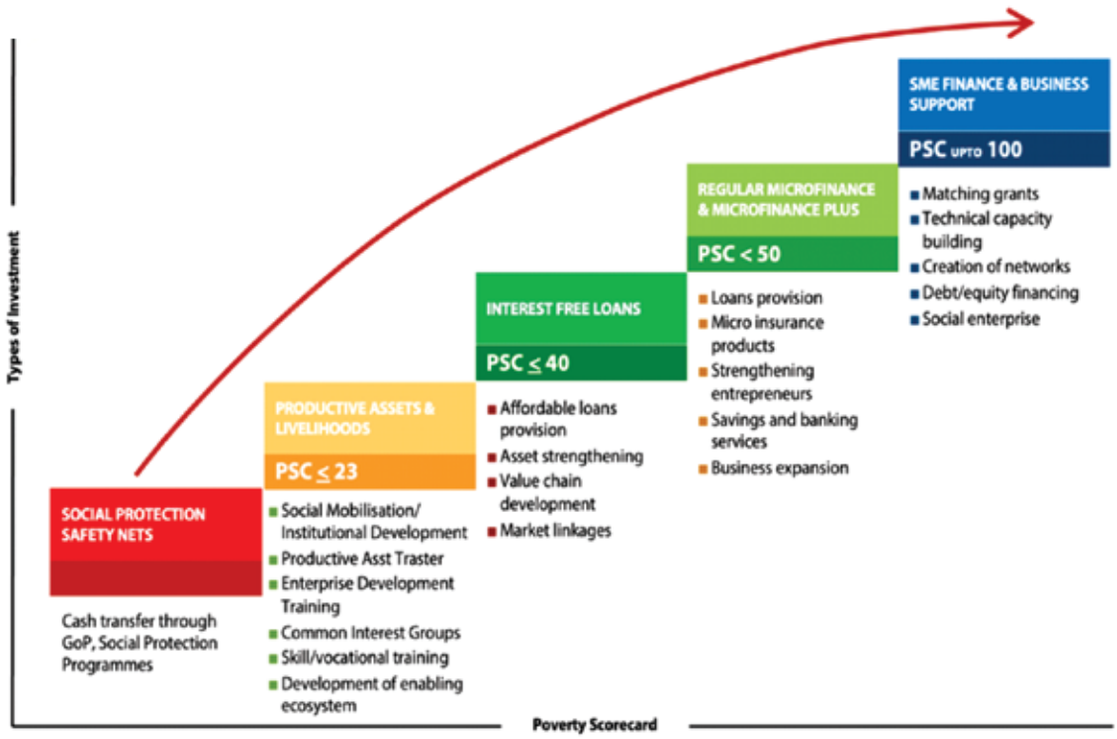
At the heart of PPAF's success is its globally validated Poverty Graduation Model—a structured and holistic pathway that enables ultra-poor households to shift from dependency to self-reliance. Combining interest-free loans, skills development, productive asset transfers, financial literacy, and business development services, this approach is customized for various poverty bands using the Poverty Scorecard. The Economic Survey recognizes this as a scalable and transformative strategy, firmly aligned with Pakistan's Sustainable Development Goals (SDGs). Inspired by international best practices and grounded in community participation, the model leverages social capital to lift households out of extreme poverty and integrate them into mainstream economic activity.

Scale of Impact: Empowering People, Strengthening Systems

With a nationwide outreach, PPAF has established over 171,000 community institutions, representing 2.67 million members—63 percent of whom are women. These platforms promote participatory governance, inclusive planning, and grassroots accountability. On the financial inclusion front, PPAF has disbursed more than 3.5 million interest-free loans, 56 percent to women, amounting to Rs 129.19 billion (including reflows) under the Prime Minister's Interest-Free Loan (PMIFL) Programme empowering thousands of low-income individuals to start or expand businesses and increase household income.

Recognizing the role of enterprise in inclusive growth, PPAF has supported 963 small and medium enterprises (SMEs), 44 percent of which are women-led. Since 2021, Rs. 1,003





million in matching grants have been provided to 371 SMEs and Rs 616.37 million facilitated as loans to 345 SMEs. These businesses were also trained in business planning and financial literacy, helping them scale and integrate into value chains.

Further supporting livelihood



generation, during the reporting period, FY 2024-2025, PPAF transferred 465 productive economic assets—31 percent to women—and trained 1,584 individuals in vocational skills, nearly half of them women, in sectors such as livestock, agriculture, and embroidery. Tailored programmes for people with special needs include the distribution of over 39,000 assistive devices and enterprise training for more than 3,000 individuals, promoting inclusion and community participation.

Building Resilient Communities: Climate Action and Infrastructure Development

In the realm of climate change and green energy, PPAF has installed 1,450 renewable energy projects generating 14 megawatts of clean energy, benefiting more than 586,100 individuals. It has conserved 2.23 million cubic meters of water and planted 130,000 trees, aligning with Pakistan's national climate action plans.



To enhance basic living standards and promote social cohesion, PPAF has implemented 34,590 infrastructure projects, benefiting 16.92 million people—51 percent of them women. These projects improve access to water, sanitation, irrigation, and local agriculture services.

PPAF's disaster response capability has been consistently tested and proven. In recent years, it has responded to droughts, earthquakes, floods, and the COVID-19 pandemic. During the 2022–2023 floods alone, it provided emergency relief to over 87,600 households—demonstrating agility, effectiveness, and compassion in crisis response.

Human Development: Bridging Gaps in Education and Health

PPAF's development footprint extends well beyond livelihoods into critical human development



sectors. It has supported 2,866 educational facilities, including over 1,500 public schools and five tele-education centres, facilitating the enrolment of more than 432,800 children, 45 percent of whom are girls. Among them are 10,000 children with disabilities, including those who are blind or deaf.

Graduation Out of Poverty:
Transitioning from Dependency to Self-Sufficiency
A recent analysis of **334,596 households** who were common beneficiaries of PPAF, and the Benazir Income Support Programme (BISP) revealed that 108,043 (32 percent) are now in a position to graduate from the BISP social safety net.

In healthcare, PPAF has strengthened access to primary health and nutrition services, supporting 968 community health centres



and enabling 15.4 million consultations—56 percent for women and girls. In the last nine months alone, more than 38,000 consultations were facilitated.

Strategic Partnerships: A Model of Trust and Accountability

PPAF's achievements are underpinned by strong partnerships with leading international institutions such as the World Bank, EU, KfW, IFAD, AICS, USAID, and UNHCR. These partnerships are anchored in a shared commitment to transparency, accountability, and measurable impact. With a programme portfolio exceeding Rs 21 billion, PPAF continues to operate as a trusted platform for changeling resources to the most underserved communities across Pakistan.

Policy Recommendation: From Poverty to Prosperity

The Government of Pakistan could scale up PPAF's proven Poverty Graduation Model to transition beneficiaries from income support to sustainable livelihoods.

By systematically graduating capable households, the government can expand coverage to new vulnerable and eligible populations. This strategic shift will enable a more resilient, self-reliant society and align public spending with national development goals of inclusion, productivity, and shared prosperity.

PPAF Wins Energy Institute Award for Green Workforce Excellence

In recognition of its innovation in promoting a skilled and diverse green workforce, PPAF received the Energy Institute Award 2024 in the **"International Workforce" category.**



Shahzada Irfan Ahmed is a veteran journalist with extensive experience in investigative reporting, human rights, and social issues.

Investing in Resilience

PPAF Leveraging Post-Marka-e-Haq Economic Opportunities for Shared Growth

Raza Hussain Qazi

Across Pakistan, lasting peace is increasingly being built through inclusive development rather than security interventions alone. Through community-driven development, grassroots governance, youth empowerment, cultural preservation, and economic opportunity, the Pakistan Poverty Alleviation Fund (PPAF) is strengthening community resilience while supporting Pakistan's growing role in global mediation, strategic diplomacy, conflict resolution, and post-Marka-e-Haq economic growth.





Long-term peace cannot be achieved through security measures alone; it must be anchored in strong social cohesion, human dignity, and inclusive socio-economic opportunity.

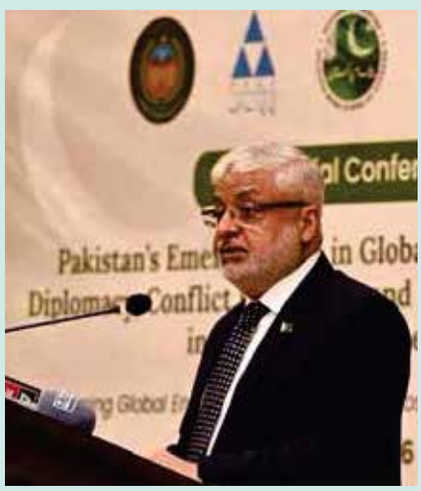
Across the diverse landscapes of Pakistan, from the high-altitude valleys of Gilgit-Baltistan and Azad Jammu and Kashmir to the vast expanses of Balochistan and the agrarian hubs of Punjab and Sindh, a significant institutional transition is taking shape. For decades, conventional policy dictated that conflict, extremism, and socio-economic instability were best managed through immediate security interventions. Today, a far more sustainable paradigm has emerged. Long-term peace cannot be achieved through security measures alone; it must be anchored in strong social cohesion, human dignity, and inclusive socio-economic opportunities.

At the centre of this transformation is the Pakistan Poverty Alleviation Fund (PPAF), the nation's premier apex development institution. By systematically addressing the root social, economic, and political drivers of despair, the institution is transforming historically vulnerable communities into resilient hubs of civic engagement and economic empowerment. In doing so, it provides a field-tested operational foundation that supports Pakistan's expanding leadership in global mediation, strategic diplomacy, conflict resolution, and post-Marka-e-Haq economic revitalization.

The Grassroots Imperative

Extremist ideologies and divisive rhetoric do not emerge in a vacuum; they routinely capitalize on economic despair, local grievances, and systemic exclusion. When marginalized groups lack structural pathways for economic mobility and meaningful participation in decision-making, recruitment and radicalization become far easier to sustain. PPAF's foundational strategy addresses this challenge by investing directly in people and strengthening grassroots governance.

Through an institutionalized framework, community trust, mutual empathy, and collective problem-solving are cultivated at the local level. Building robust social networks enables communities to withstand divisive pressures and socio-economic shocks. Simultaneously, structural pathways are created for women, youth, religious minorities, persons with disabilities, and indigenous groups to participate in civic life and achieve economic self-sufficiency. By establishing transparent local institutions, deep-seated grievances are resolved peacefully, systematically neutralising the sense of marginalization that extremist recruiters seek to exploit.



A Structural Blueprint for Prevention

To bridge national policy with field-level implementation, PPAF serves as an operational link

between national security objectives and grassroots civil society action. These efforts are implemented with the support of the Federal Government and Provincial Governments, in close partnership with the Prime Minister's Youth Programme (PMYP) and Paigham-e-Pakistan (PeP), while maintaining strategic alignment with the National, Provincial, and Regional Centres of Excellence for the Prevention and Countering of Violent Extremism. Conflict-sensitive approaches are embedded within broad-based socio-economic grant programmes.

This institutional collaboration operates across multiple fronts. Structured sensitization sessions are conducted through universities, civil society organizations, and local institutions to foster critical thinking, civic responsibility, and pluralism. Joint action research and localized conflict assessments enable evidence-based findings to be translated into practical field interventions. Furthermore, targeted innovation and enterprise competitions are organized across all provinces, including Azad Jammu and Kashmir, Gilgit-Baltistan, and the Islamabad Capital Territory, channelling youth potential towards constructive economic leadership and social innovation.

Mobilizing Resilience Across the Nation

The operational strength of this framework was clearly demonstrated through the nationwide Resilient and Rising Pakistan Campaign, launched in response to critical national challenges in mid-2025. Mobilizing a broad network of



local organizations, the initiative focused on restoring livelihoods, strengthening social cohesion, and protecting vulnerable populations during a period of significant economic strain.

The campaign reached communities across the country through more than 1,600 community engagement events in 101 districts, implemented in partnership with 82 local civil society organizations. It achieved remarkable inclusivity by directly engaging over 150,000 citizens, with women accounting for 45 percent of participants. The campaign also reached approximately 20,000 individuals from minority and transgender communities, along with 650 persons with disabilities.

To ease immediate financial hardship, more than 5,800 financial relief and rehabilitation grant cheques, amounting to



PKR 326 million, were distributed. Alongside financial assistance, community ownership and environmental resilience were strengthened through the completion of 87 climate-resilient community infrastructure schemes and the plantation of 16,000 trees.

Transforming Culture and Eco-Innovation into Progress

Extremist narratives often take hold where cultural identity is eroded and economic opportunities remain limited. To create sustainable prevention mechanisms, Pakistan's diverse cultural heritage and green economic potential are harnessed as powerful drivers of social harmony and sustainable livelihoods.

Heritage preservation efforts actively protect endangered cultural assets, including support for indigenous women in the Kalasha community, while conserving multi-faith heritage sites such as Mandirs, Gurdwaras, Churches, and Fire Temples. Promoting the shared legacy of the Gandhara Civilization further reinforces national unity and pluralism. At the same time, climate-smart eco-tourism hubs and heritage infrastructure, exemplified by developments at Tejian and Ain



Fort in Azad Jammu and Kashmir, are generating economic opportunities while preserving cultural assets.

Youth entrepreneurship is promoted through sustainable value chains such as olive cultivation, eco-hospitality, and green skills, supported by the Youth Innovation and Incubation Competition 2026. Digital market access is further expanded through the Ba-Ikhtiar initiative, which deploys e-commerce solutions connecting rural artisan networks and young entrepreneurs directly to national and global markets.

Climate-resilient community infrastructure is also being developed to facilitate local trade, while regional and national heritage festivals celebrating Baloch, Sindhi, Pashtoon, Punjabi, Kalasha, and other cultural identities promote mutual respect, social harmony, and peaceful coexistence.

Elevating Peacebuilding to Strategic Diplomacy

Beyond community-level development, grassroots achievements are increasingly being linked with high-level policy dialogue, helping shape an enduring national narrative for peace and regional stability.

In collaboration with the International Research Council for Religious Affairs and other key national stakeholders, PPAF has launched a strategic dialogue series to examine Pakistan's expanding role in regional mediation, conflict resolution, and post-conflict economic revitalization.

The initiative commenced with an Inaugural Strategic Conference in Peshawar, bringing together political, military, religious, academic, and civil society leaders to advance evidence-based strategies for strengthening internal social cohesion and accelerating economic recovery.



Building on this momentum, provincial dialogues are being conducted across all administrative units, culminating in a National Policy Conference in Islamabad that will consolidate a unified national consensus on community resilience.

Complementing these efforts, high-level youth engagement forums in Khyber Pakhtunkhwa have brought university students, emerging leaders, and religious scholars into direct dialogue with policymakers, strengthening citizen-state trust and encouraging peaceful democratic participation.

Sustaining Sustainable Impact and Institutional Vision

Grassroots resilience serves as the indispensable foundation for post-Marka-e-Haq economic growth, foreign investment, and Pakistan's expanding role in regional diplomacy.

By integrating poverty graduation, cultural capital, youth entrepreneurship, and inclusive local governance, PPAF addresses the root drivers of radicalization long before they manifest in conflict.

PPAF offers a proven and highly scalable institutional model for preventing conflict by investing in people. With its unmatched grassroots reach, institutional credibility, and strategic partnerships, the organization stands ready to serve as Pakistan's apex development partner in advancing lasting resilience, strengthening social cohesion, and supporting the country's emerging leadership in global mediation, strategic diplomacy, and regional conflict resolution.



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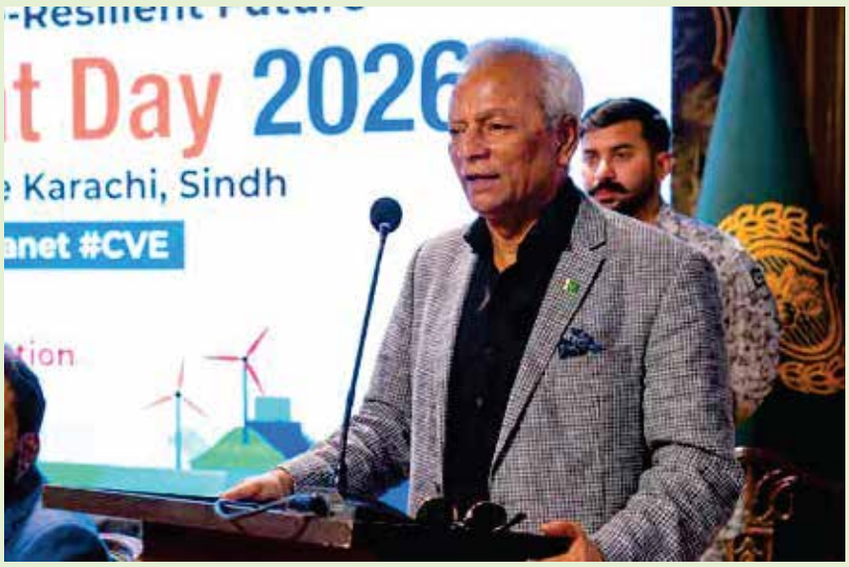
Growing Resilience, Greening Pakistan

PPAF's Community-Led Climate Revolution

Sohail Chaudhry

As Pakistan confronts intensifying climate risks, the Pakistan Poverty Alleviation Fund (PPAF) is demonstrating that environmental protection and poverty reduction can advance together. Through community-driven development, sustainable livelihood solutions, renewable energy, disaster preparedness, and nationwide environmental awareness initiatives including its World Environment Day 2026 campaign, PPAF is helping communities build a greener, more resilient future.



Pakistan's climate challenge cannot be addressed through infrastructure alone. Lasting resilience begins with empowered communities.

Pakistan stands on the frontline of the global climate crisis. Although it contributes less than one percent of global greenhouse gas emissions, it remains among the world's most climate-vulnerable countries. Devastating floods, prolonged droughts, heatwaves, glacial lake outburst floods (GLOFs), and increasingly erratic monsoon patterns continue to threaten livelihoods, food security, water resources, and economic growth.

For millions of Pakistanis, climate change is far more than an environmental concern. It is a development challenge that disproportionately affects poor and marginalized communities whose livelihoods depend on natural resources. Smallholder farmers, women, and rural households often have the fewest resources to cope with climate shocks, making them particularly vulnerable to recurring disasters.

Meeting this challenge requires more than emergency response. It demands long-term investments that strengthen livelihoods, protect ecosystems, improve infrastructure, and empower communities to manage climate risks themselves.

Amid these growing challenges, the Pakistan Poverty Alleviation Fund (PPAF) has emerged as one of the country's leading institutions demonstrating that poverty reduction, environmental protection, and climate resilience are mutually reinforcing. Rather than treating climate action as a standalone intervention, PPAF has integrated it into its broader mission of community-driven development, creating solutions that improve both environmental sustainability and human well-being.

Communities at the Heart of Climate Action

Established in 1997, PPAF has spent nearly three decades partnering with government institutions, development agencies, civil society organizations, and local communities to reduce poverty through locally led development. PPAF, having an outreach across **157 districts** through **164 Partner Organizations** has supported more than **2.67 million households** in organizing themselves into community institutions that identify priorities, mobilize local resources, and drive their own development.

This community-centered approach has become the foundation of PPAF's climate strategy. Guided by its internationally recognized **Poverty Graduation Approach**, the organization helps vulnerable households strengthen their livelihoods through skills development, productive assets, financial inclusion, and enterprise support, enabling families not only to escape poverty but also to become more resilient to climate-related shocks.

Building on this foundation, PPAF ensures that its climate interventions are aligned with Pakistan's **Nationally Determined Contributions (NDCs)**, the **Paris Agreement**, and the National Adaptation Plan while embedding climate action across its broader



development work. Rather than implementing isolated environmental projects, it integrates ecosystem restoration, renewable energy, resilient infrastructure, disaster preparedness, water conservation, and climate-smart livelihoods as part of an integrated development approach.

Building Climate Resilience Through Local Action

PPAF's experience demonstrates that climate resilience is built through practical investments that simultaneously protect the environment and improve livelihoods.

Over the years, the organization has helped conserve approximately **2.23 million cubic** meters of water while planting **436,000** trees (including **162,000** olive trees) that contribute to carbon sequestration, biodiversity restoration, and sustainable income generation.

Renewable energy has become another cornerstone of its climate portfolio. Through nearly **1,615 clean energy projects**, PPAF has installed approximately **18.56** megawatts of renewable energy, benefiting around **950,400** individuals while reducing an estimated **160,000** tonnes of carbon dioxide emissions annually. Beyond lowering emissions, these investments have expanded access to affordable energy and created new economic opportunities in underserved rural communities.

By integrating renewable energy, resilient infrastructure, and sustainable livelihoods, PPAF is demonstrating that climate action and poverty reduction go hand in hand.



Climate resilience also depends on strong infrastructure. Across Pakistan, PPAF has completed more than **35,000 community infrastructure** projects, including drinking water schemes, irrigation systems, roads, bridges, sanitation facilities, drainage systems, and flood protection structures.

Designed and managed with community participation, these investments improve access to markets and essential services while reducing communities' vulnerability to climate-related disasters.

The organization's approach reflects a simple but powerful principle: environmental conservation and economic development are not competing priorities.

Investments in natural resources, clean energy, and resilient infrastructure simultaneously strengthen local economies, protect ecosystems, and enhance communities' ability to withstand future climate shocks.



Preparing Communities Before Disaster Strikes

Climate resilience extends beyond environmental protection. It also requires communities to anticipate, prepare for, and respond effectively to increasingly frequent disasters.

PPAF has therefore developed a comprehensive disaster risk reduction model that combines resilient infrastructure, institutional capacity building, community preparedness, and humanitarian response.

Following the devastating 2005 earthquake, the organization facilitated the construction of more than **122,000 seismically safe houses**, enabling affected families to rebuild safer homes and stronger communities. Through drought mitigation programmes, approximately **260,000 households** strengthened their water security and livelihood resilience.

More recently, PPAF provided emergency assistance to over **136,000 households** affected by the floods of **2022, 2023, and 2025**, delivering food assistance, hygiene kits, medical services, veterinary support, and livelihood recovery interventions. During the COVID-19 pandemic, another **66,000 vulnerable households** received emergency support.

Recognizing that local communities are always the first responders, PPAF has established **200 Emergency Response Teams** while training nearly **2,000 district-level stakeholders**, including government officials, community leaders, civil society organizations, and academia, in disaster risk reduction, contingency planning, and climate adaptation.

The World Environment Day 2026 campaign transformed environmental awareness into practical action, engaging more than 22,000 people across Pakistan.

These investments are transforming communities from passive recipients of assistance into active leaders capable of anticipating risks, managing emergencies, and driving long-term resilience.

World Environment Day 2026: Turning Awareness into Action

For PPAF, **World Environment Day 2026** was more than an annual observance. It became a nationwide call to action, demonstrating how environmental stewardship can translate into tangible improvements in livelihoods, community resilience, and local ownership of climate solutions.



Working in partnership with the **Ministry of Poverty Alleviation and Social Safety (MoPASS), the Prime Minister's Youth Programme (PMYP), Paigham-e-Pakistan (PeP), the Centres of Excellence on Countering Violent Extremism (CECVEs)**, and its network of Partner Organizations, PPAF launched



one of its largest coordinated environmental campaigns to date. Implemented across all four provinces, **Gilgit-Baltistan, Azad Jammu and Kashmir, and the Islamabad Capital Territory**, the campaign demonstrated how collective action at the grassroots can advance both environmental protection and community development.

Unlike conventional awareness campaigns, the initiative focused on practical, community-led interventions that produced visible environmental and social outcomes. A total of 229 events were organized **nationwide**, including 63 in Balochistan, 59 in Punjab, 58 in Sindh, 26 in Gilgit-Baltistan, 20 in Khyber Pakhtunkhwa, two in Azad Jammu & Kashmir, and one in the Islamabad Capital Territory. The campaign also facilitated the distribution of interest-free loan cheques worth **PKR 11.4 million** to support individuals in strengthening their livelihoods, demonstrating how environmental awareness can be complemented by economic empowerment.

The campaign generated tangible results on the ground. Nearly **4,000 trees** were planted to restore green cover, improve biodiversity, and enhance carbon sequestration. At the same time, Community Physical Infrastructure schemes were also inaugurated, improving access to essential services while strengthening resilience against future climate shocks.





Yet the campaign's greatest achievement lay not in these numbers alone, but in the breadth of community participation it inspired. More than **22,000 people** took part, including approximately 12,000 men and **10,000 women**, over **3,500 members** of minority communities, as well as persons with disabilities and transgender persons. This inclusive participation reflected PPAF's belief that effective climate action must engage every segment of society.

Across the country, communities participated in tree plantation drives, cleanliness campaigns, environmental awareness sessions, exhibitions, and community dialogues focused on climate-smart agriculture, water conservation, waste management, and the sustainable use of natural resources. Rather than prescribing solutions, these activities encouraged communities to identify local environmental challenges and develop practical responses suited to their own contexts.

Young people were placed at the centre of the campaign.

Schools, colleges, and community organizations organized environmental competitions, interactive learning sessions, cultural performances, and awareness activities that encouraged youth to become ambassadors for sustainable development. By combining scientific knowledge with local traditions and indigenous practices, the campaign made climate action both accessible and culturally relevant.

Women also emerged as key drivers of the initiative, leading plantation drives, facilitating awareness sessions, mobilizing communities, and participating in local decision-making. Their leadership reinforced PPAF's long-standing commitment to inclusive development while highlighting the critical role women play in strengthening community resilience.

Importantly, the campaign built on **PPAF's** broader investments in localized climate resilience. The knowledge and capacities developed through Emergency Response Teams, community institutions, and climate adaptation programmes enabled communities to move beyond awareness and take meaningful ownership of environmental action.

In doing so, World Environment Day 2026 became far more than a commemorative event. It demonstrated that when communities are empowered to lead, environmental protection becomes a catalyst for stronger livelihoods, greater social cohesion, and lasting climate resilience.

The Road Ahead

Pakistan's climate challenges will continue to intensify as rising temperatures, water scarcity, and extreme weather place increasing pressure on livelihoods, infrastructure, and natural ecosystems. Addressing these challenges will require sustained investment in locally led adaptation, resilient infrastructure, renewable energy, and nature-based solutions.

PPAF's experience offers a practical roadmap by integrating poverty reduction with environmental stewardship, disaster preparedness, and community empowerment. Its World Environment Day 2026 campaign reinforced this approach, demonstrating that environmental awareness has the greatest impact when it is translated into locally driven action.

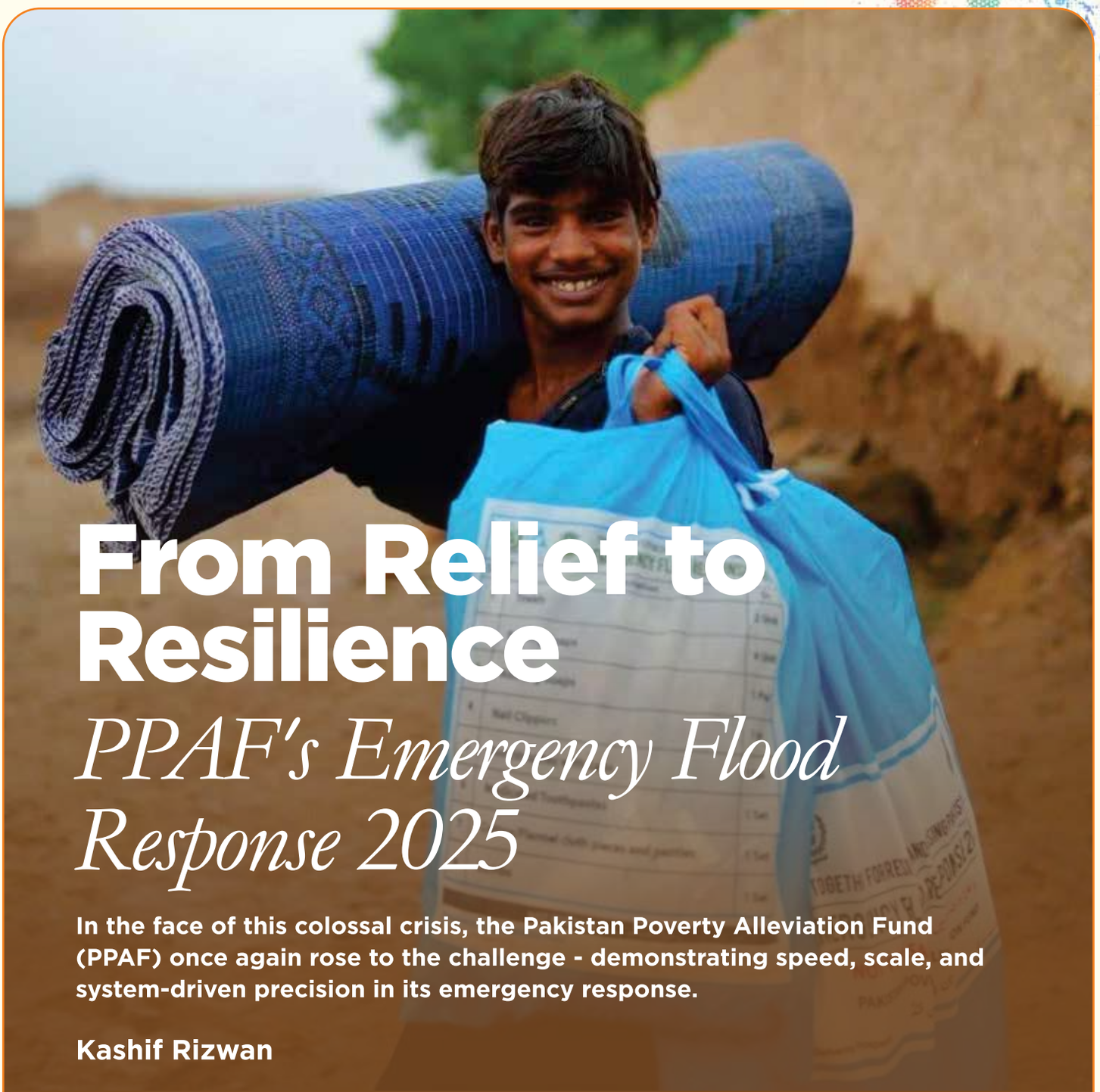


Looking ahead, expanding renewable energy, climate-smart agriculture, resilient value chains, and green livelihoods, particularly for women and young people, will remain central to PPAF's vision. Stronger partnerships among government institutions, development partners, civil society, academia and the private sector will also be essential to mainstream climate resilience across development planning and service delivery, while advancing Pakistan's commitments under the Paris Agreement and the Sustainable Development Goals.

In an era of growing climate uncertainty, Pakistan's resilience will ultimately be measured not only by the policies it adopts, but by the strength of the communities it empowers. Through its integrated and community-driven approach, PPAF is helping lay the foundation for a greener, more resilient, and more prosperous Pakistan.



Sohail Chaudhry is CEO of the Economic Affairs Magazine with core expertise in Climate Change & Environment.



From Relief to Resilience

PPAF's Emergency Flood Response 2025

In the face of this colossal crisis, the Pakistan Poverty Alleviation Fund (PPAF) once again rose to the challenge - demonstrating speed, scale, and system-driven precision in its emergency response.

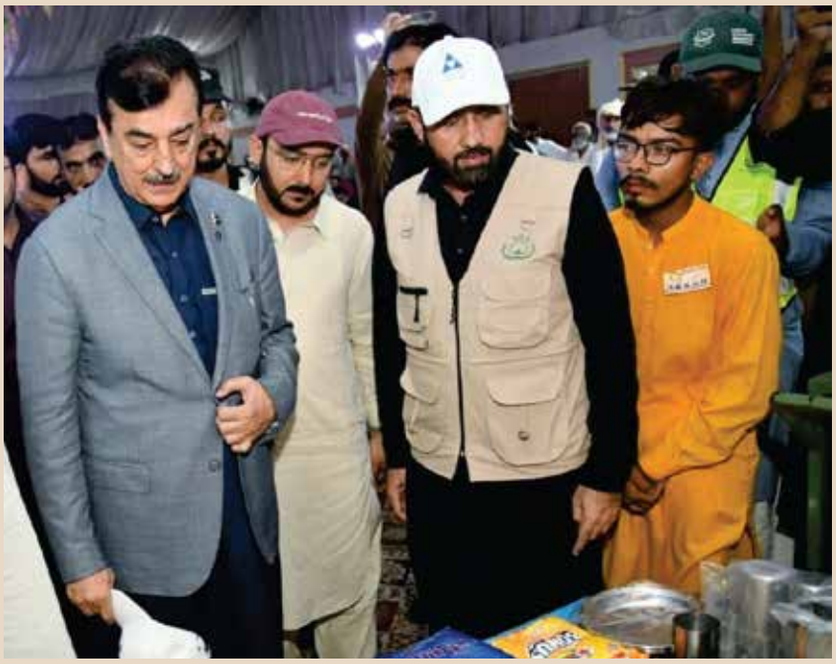
Kashif Rizwan

When relentless monsoon rains and cloudburst swept across Pakistan in mid-2025, they unleashed one of the most devastating floods in recent history. The National Disaster Management Authority (NDMA) reported widespread destruction across 137 districts, with Punjab and Khyber Pakhtunkhwa facing their worst flooding in decades. Over 1,037 lives were lost, 1,067 injured, and 229,763 houses damaged; 22,841 livestock perished, while 2,811 kilometers of roads were washed away. An estimated 6.9 million people were affected, 3 million evacuated, and 150,000 individuals still housed in relief camps months later.

In the face of this colossal crisis, the Pakistan Poverty Alleviation Fund (PPAF) once again rose to the challenge - demonstrating speed, scale, and system-driven precision in its emergency response. Drawing on its two-decade legacy of disaster management, PPAF launched a nationwide relief effort that blended humanitarian urgency with institutional discipline, reaffirming its position as one of Pakistan's most trusted and capable relief organizations.

PPAF's Historical Response to Disasters and Emergencies

Before delving into the 2025 flood response, it is essential to understand the depth of PPAF's experience in disaster management, a legacy built over two decades of serving vulnerable communities across Pakistan. Since its inception, PPAF has played a pivotal role in every major national emergency, combining community engagement with robust coordination and accountability.



Through the Drought Mitigation and Preparedness Programs, PPAF implemented large-scale irrigation, dam construction, and water conservation schemes across 40 districts, benefiting more than 250,000 households. After the 2005 earthquake, it led one of Pakistan's largest reconstruction drives: rebuilding 122,000 seismically safe homes and restoring livelihoods for 141,000 households through participatory recovery models that became international best practices.

In subsequent disasters, PPAF's footprint expanded. It reached around one million families during the 2010–2023 floods, assisted 13,000 internally displaced families in Swat (2009–10), extended shelter and recovery aid to 36,000 households in the 2013 Balochistan earthquake, and supported 66,000 families during the COVID-19 pandemic through livelihood and enterprise support.

Altogether, PPAF has supported around one million flood-affected families nationwide each intervention refining its systems for rapid mobilization, transparent monitoring, and equitable service delivery. These cumulative experiences underpin the 2025 response, making it not an isolated act of relief but part of an enduring institutional strength rooted in resilience and trust.

Before delving into the 2025 flood response, it is essential to understand the depth of PPAF's experience in disaster management, a legacy built over two decades of serving vulnerable communities across Pakistan.

A Nation in Crisis – PPAF's Swift and Scalable Response

The 2025 floods tested Pakistan's resilience at every level. Farmland was submerged, livestock perished, and food security was imperiled. Against this backdrop, PPAF launched an initial PKR 700 million emergency relief response in 13 districts, quickly scaling it up by an additional PKR 600 million to reach 45 districts

nationwide from Sindh's floodplains to the highlands of Gilgit–Baltistan and the valleys of Azad Jammu & Kashmir.

This emergency operation, implemented through PPAF's network of 18 trusted partner organizations, targeted 49,127 families (343,859 individuals) with 147,381 relief packs comprising food, non-food, and hygiene items; 126 health camps; 118 veterinary camps; and the installation of six water filtration plants, based on rapid needs assessments validated by the NDMA, PDMAs, and local administrations. The efforts reflected not only a swift response but also a data-driven targeting strategy that ensured equitable distribution and minimized overlap.



This multi-sectoral effort combined immediate relief with preventive healthcare, livelihood protection, and community mobilisation for resilience demonstrating how PPAF's humanitarian model bridges emergency aid and sustainable recovery.

Political and Administrative Leadership Participation: A Unified National Front

PPAF's flood response was not a solitary effort; it was a national collaboration. Recognizing that effective humanitarian response requires alignment between the state and civil society, PPAF actively engaged with political leadership, government agencies, and local administrations.

To ensure transparency and accountability in its Flood Emergency Response, PPAF engaged 46 government dignitaries in distribution events across Khyber Pakhtunkhwa, Gilgit–Baltistan, Azad Jammu & Kashmir, and Punjab. Notable among them were Syed Yousuf Raza Gilani, Chairman Senate, Raja Pervaiz Ashraf, Former Prime Minister and currently MNA, Syed Imran Ahmad Shah, Federal Minister for Poverty Alleviation and Social Safety, Prof. Dr. Ahsan Iqbal, Federal Minister for Planning, Development and Special Initiatives, Mr. Muhammad Raza Hayat Harraj, Federal Minister for Defence Production, Malik Rasheed Ahmad Khan, Minister of State for National Food Security & Research, Sardar Ramesh Singh Arora, Provincial Minister for Minorities Affairs, Mr. Sohail Shaukat Butt, Provincial Minister for Social Welfare and Bait-ul-Maal, Mr. Rahmat Khaliq, Minister for Excise & Taxation, GB, and Engineer Muhammad Ismail, Minister for Finance, GB.

The dignitaries also included four Members of the National Assembly, one Senator, and eleven Members of the Provincial Assembly (Punjab), including four former members.

Their active participation enhanced the visibility and credibility of PPAF's response, demonstrating a unified national effort to alleviate suffering. District administrations, including Deputy Commissioners and Assistant Commissioners, played a pivotal role in operational execution, identifying high-impact areas and verifying household data to ensure fairness and transparency.

During a visit to flood-hit communities, Federal Minister for Poverty

Alleviation and Social Safety, Syed Imran Ahmad Shah, commended PPAF's swift, structured, and transparent response:

"PPAF was among the first responders to reach the flood-affected communities. Its well-coordinated and systematic efforts have set a new benchmark for humanitarian effectiveness. PPAF's presence on the ground, its strong partnerships, and the transparency reflect what effective national response should look like."

His words resonated deeply with both the communities and officials present, capturing the spirit of collaboration that defined this nationwide relief effort.

At the district level, Deputy Commissioners and Assistant Commissioners worked alongside PPAF and its civil society partner organizations' teams to verify data, identify the most affected areas, and oversee relief distribution. This coordination ensured fairness, reduced duplication, and maintained public trust. Together, these partnerships demonstrated how institutional synergy between government leadership, community networks, and PPAF's operational systems can transform response into recovery.



PPAF Leadership's Oversight: Leading from the Front

Leading from the Front at the heart of PPAF's operational excellence lies its leadership ethos leading by example. The 2025 Emergency Flood Response was designed and executed under the direct guidance of CEO Mr. Nadir Gul Barech, ensuring strategic coherence and operational discipline. Supported by the senior management team, Mr. Barech personally visited flood-affected areas to oversee the operations.



These visits were critical for field validation, community engagement, and problem-solving.

Such visible, hands-on leadership reinforced PPAF's accountability framework and inspired confidence among partners and beneficiaries alike.

From Relief to Recovery: Building Long-Term Climate Resilience

While relief was the immediate priority, PPAF's vision extended beyond emergency support. The 2025 floods reaffirmed what the organization has long understood that poverty alleviation and climate resilience are inseparable goals.

Under its PKR 3.4 billion "Restoring Social Services and Building Climate Resilience (RSS&CR)" project, PPAF is rehabilitating damaged schools, health units, and water infrastructure across 61 union councils in 19 flood-affected districts. The initiative integrates disaster-resistant construction with livelihood restoration, promoting innovations in climate-smart agriculture, modern livestock management, and laser land levelling. To institutionalize preparedness, 169 Community Emergency



Response Teams (CERTs) have been trained, linking grassroots action with national disaster management frameworks. Additional initiatives, including the PKR 250 million renewable energy and ecosystem restoration programs in GB and AJK, the EUR 9.5 million KfW-funded climate-resilient infrastructure initiative in KP, and the EUR 14.83 million EU-funded Post-Floods Resilient Recovery and Strengthening of the Livestock Sector project in Balochistan underscore PPAF's long-term commitment to sustainable recovery.

In essence, PPAF's post-flood strategy embodies the principle of "building back better" transforming vulnerability into opportunity through resilience, innovation, and inclusion.

Accountability, Inclusion, and Data-Driven Action

Transparency and inclusion remain cornerstones of PPAF's approach. A state-of-the-art Management Information System (MIS) ensures real-time tracking of aid delivery, providing verifiable data on every household reached.

PPAF's relief efforts accord priority to women-headed households, persons with disabilities, and marginalized groups, aligning with SPHERE Standards and ensuring dignity, fairness, and accessibility for all.

By integrating technology, community participation, and rigorous monitoring, PPAF guarantees that every rupee spent yields measurable impact - a benchmark for institutional credibility in Pakistan's development landscape.

A National Model for Humanitarian Effectiveness

The 2025 Emergency Flood Response reaffirmed PPAF's reputation as Pakistan's most effective and trusted institution for coordinated disaster management. By combining rapid mobilization, data-backed targeting, government collaboration, and strong leadership oversight, PPAF sets a national standard for humanitarian action.

PPAF's approach demonstrated that relief and development are not separate pursuits, but sequential steps on a shared continuum of resilience. As Pakistan confronts the accelerating threat of climate change, PPAF's model offers a roadmap for localization of Climate Action and disaster governance: a partnership-driven, evidence-based, and inclusive framework for national resilience.

Through its 2025 Emergency Flood Response, the Pakistan Poverty Alleviation Fund has once again proven that institutional empathy, foresight, and integrity can turn crisis into opportunity. Rooted in two decades of experience and reinforced by public trust, PPAF's approach exemplifies the evolution of humanitarianism in Pakistan from reactive relief to proactive resilience, where compassion meets competence, and recovery paves the path toward lasting prosperity.



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Turning Pride into Power

PPAF collaborated with Ministry of Poverty Alleviation and Social Safety (MoPA&SS) and Paigham-e-Pakistan (PeP) to redefine commemoration of national days through its campaign "Resilient and Rising Pakistan."

Raza Hussain Qazi

Every nation has moments that renew its collective spirit and reaffirm its unity. For Pakistan, Independence and Defence days stand as enduring symbols of resilience, sacrifice, and shared identity.

This year, the Pakistan Poverty Alleviation Fund (PPAF), in partnership with the Ministry of Poverty Alleviation and Social Safety (MoPA&SS) and Paigham-e-Pakistan (PeP), redefined the commemoration of these national days through its campaign "Resilient and Rising Pakistan."

What began as patriotic celebration evolved into a nationwide movement - uniting communities across provinces, strengthening social bonds, and translating the spirit of independence into action for inclusion and resilience.

A Symbolic Beginning of a National Movement

In a significant move to blend national pride with grassroots impact, the Ministry of Poverty Alleviation and Social Safety (MoPA&SS), in partnership with the Pakistan Poverty Alleviation Fund (PPAF) and Paigham-e-Pakistan (PeP), launched the "Resilient and Rising Pakistan" campaign to commemorate Independence Day and Defence Day 2025.



Through partnerships with 66 civil society organizations, PPAF and its collaborators organized 1,411 local events, transforming traditional celebrations into platforms for civic engagement and social development.

Spanning August and September, the campaign features thousands of events across all provinces and regions, including Punjab, Sindh, Khyber Pakhtunkhwa,



Balochistan, Gilgit-Baltistan, Azad Jammu & Kashmir, and the Islamabad Capital Territory. Designed to go beyond ceremonial celebrations, it aimed to directly engage marginalized and vulnerable communities through initiatives promoting education, health, environment, and economic inclusion.

The launch ceremony, held on 31st July 2025 in Quetta, Balochistan, was attended by Federal Minister for Poverty Alleviation and Social Safety, Syed Imran Ahmad Shah; Minister of State for Federal Education and Professional Training, Ms. Wajiha Qamar; Balochistan's Minister for Education, Ms. Raheela Hameed Khan Durrani; Secretary of the Women Development Department, Ms. Saira Atta; and PPAF CEO, Mr. Nadir Gul Barech.

Addressing the gathering, Federal Minister Syed Imran Ahmad Shah said:

"This initiative reflects the government's unwavering commitment to reach every corner of Pakistan with dignity, opportunity, and progress. It is our collective responsibility to ensure that our national celebrations not only honor the sacrifices of the past but also shape a more inclusive and empowered future for all."

Minister of State Ms. Wajiha Qamar highlighted the importance of collective effort in national development and the symbolic significance of launching the campaign from Quetta, stating:

"This campaign is a testament to the power of unity when government, communities, and development partners come together, real and lasting change becomes possible. Launching it from Quetta signals our strong resolve to place Balochistan at the center of the national development agenda, ensuring greater visibility, investment, and opportunity for the region."

The campaign includes awareness sessions, tree plantation drives, community mobilization events, cheque distribution ceremonies, and outreach programs focusing on health, youth engagement, and social protection. The launch in Quetta set the tone for the campaign, reaffirming a shared national vision of resilience, inclusivity, and progress.



A Nationwide Movement for Unity and Inclusion

The campaign spanned all provinces and regions, including Gilgit-Baltistan, Azad Jammu & Kashmir, and Islamabad Capital Territory, covering 88 districts, 103 tehsils, and 394 union councils. Through partnerships with 66 civil society organizations, PPAF and its collaborators organized 1,411 local events, transforming traditional celebrations into platforms for civic engagement and social development.



Over 134,000 citizens, including women, men, transgender persons, persons with disabilities, and members of minority communities, participated. This diversity mirrored PPAF's inclusive development philosophy, ensuring that national pride is shared by all segments of society.

Linking Celebration with Development

While infused with patriotic symbolism, the campaign was underpinned by a clear development strategy. Each activity aligned with PPAF's thematic pillars: livelihoods, social protection, climate resilience, and community participation - bridging national celebration with long-term sustainability. Under this initiative:

- 5,828 cheques worth PKR 314.6 million were distributed under the Prime Minister's Interest-Free Loan and the EU-funded Growth for Rural Advancement and Sustainable Progress (GRASP) programs.
- 11,393 trees were planted across Pakistan, linking patriotism with environmental stewardship.
- 57 community infrastructure schemes were inaugurated, expanding access to essential social services.
- 88 training and activity completion certificates were awarded, recognizing skill development, community engagement, and capacity-building efforts.

Beyond financial assistance, the campaign also featured

health and nutrition camps, gender and disaster preparedness sessions, and community gatherings that emphasized inclusion, civic responsibility, and collective resilience.

Partnership, Participation, and Leadership

The campaign's success rested on multi-level and multi-stakeholders collaboration. Events were attended by federal and provincial dignitaries, commissioners, deputy commissioners, assistant commissioners, and local government officials, whose presence symbolized the synergy between governance and grassroots action. Their active involvement enhanced visibility and underscored shared ownership of the national cause.

PPAF's partner organizations played a critical role in ensuring local ownership. Through their extensive community networks, they brought the celebration to every corner of the country i.e. from the remote valleys of Gilgit-Baltistan to the coastal plains of Sindh, transforming symbolic observances into catalysts for empowerment and unity.



> The campaign spanned all provinces and regions, including Gilgit-Baltistan, Azad Jammu & Kashmir, and Islamabad Capital Territory, covering 88 districts, 103 tehsils, and 394 union councils.

Communicating Pride and Progress

The "Resilient and Rising Pakistan" campaign achieved 42.3% coverage in mainstream media and 70.9% engagement across social media platforms, with Facebook (88.8%), LinkedIn (95%), and Instagram (94.1%) serving as the most active channels. This strong digital footprint reflected PPAF's evolving capacity for development communication and its ability to connect national narratives with local realities through inclusive storytelling.

The Power of Collaboration

The campaign stood as a testament to the strength of partnerships: MoPA&SS provided strategic direction and policy linkage with the national social protection agenda, PPAF mobilized its vast grassroots network and institutional expertise, and Paigham-e-Pakistan infused



In a significant move to blend national pride with grassroots impact, the Ministry of Poverty Alleviation and Social Safety (MoPA&SS), in partnership with the Pakistan Poverty Alleviation Fund (PPAF) and Paigham-e-Pakistan (PeP), launched the "Resilient and Rising Pakistan" campaign to commemorate Independence Day and Defence Day 2025.

the initiative with messages of peace, tolerance, and unity.

Together, they shaped a model of participatory nation-building that merged policy, practice, and public engagement, transforming commemoration into collective action.

Celebrating the Spirit of a Resilient Nation

From students in Balochistan launching local green drives to women entrepreneurs in Gilgit-Baltistan receiving interest-free loans, every event embodied a single message: Pakistan's strength lies in its people's collective will to rise.

The campaign turned celebration into civic engagement, reminding all that Independence and Defence Days are not only moments of remembrance but opportunities to reinforce solidarity, inclusion, and resilience.

A Model for Participatory Nation-Building

"Resilient and Rising Pakistan" reimagined how patriotism can serve development. Every planted tree, every distributed cheque, and every community gathering became a symbol of progress through unity. For a country balancing growth with equity, this initiative offered a replicable model where national pride fuels sustainable action, and unity becomes the foundation for resilience.

As the campaign concluded, one truth stood clear: resilience thrives in unity. By linking national celebrations to grassroots empowerment, PPAF and its partners have demonstrated that Pakistan's rise depends on its people's participation - each citizen a partner in shaping a stronger, more inclusive nation.



"Resilient and Rising Pakistan embodies the spirit of togetherness," said Mr. Nadir Gul Barech, CEO PPAF, adding that "When citizens celebrate with inclusion and intent, they don't just honour the past, they help shape the future."



Raza Hussain Qazi is a climate governance expert and works for global development organizations in spheres of research, policy analysis, and legislative reforms. He Tweets/X@raashafqat

From Farm to Market

GRASPing Rural Growth

The Growth for Rural Advancement and Sustainable Progress (GRASP) unlocks economic potential of rural agribusinesses by building an ecosystem rooted in policy reform, human capital development, financial access, market integration and climate resilience. Funded by the European Union and implemented by the International Trade Centre (ITC) in partnership with the Pakistan Poverty Alleviation Fund (PPAF), FAO, and SMEDA, the project operates across 22 districts of Sindh and Balochistan.

Kashif Rizwan





In Pakistan's economic architecture, small and medium-sized enterprises (SMEs) are both ubiquitous and indispensable. Contributing nearly 40% to the national GDP and 25% to exports, according to a 2023 study by the Pakistan Institute of Development Economics (PIDE), SMEs are often the silent backbone of economic vitality. Yet, within this vibrant sector, rural SMEs—especially those embedded in agriculture and livestock—remain chronically underserved. Their struggle is not due to lack of ambition or productivity, but a lack of infrastructure, access, and institutional support.

> GRASP embeds climate-smart agriculture (CSA) practices into its design—not as an add-on but as a core pillar. Through Farmer Climate Business Schools (FCBS), smallholders have been trained in CSA techniques, enhancing their ability to cope with erratic weather, water scarcity, and soil degradation.

The Growth for Rural Advancement and Sustainable Progress (GRASP) project is an ambitious response to this imbalance. Funded by the European Union and implemented by the International Trade Centre (ITC) in partnership with the Pakistan Poverty Alleviation Fund (PPAF), FAO, and SMEDA, GRASP operates across 22 districts of Sindh and Balochistan. Its mission: to unlock the economic potential of rural agribusinesses by building an ecosystem rooted in policy reform, human capital development, financial access, market integration, and climate resilience.

Bridging the Policy Gap

Pakistan's National SME Policy 2021 sets a progressive framework, but it lacked teeth in implementation—especially for women-led and agriculture-based rural enterprises. GRASP tackled this gap head-on. It initiated inclusive policy dialogues, championed regulatory reforms, and simplified bureaucratic hurdles like business registration. The project has thus far contributed to 76 policy reforms, including 23 policy documents, three SME strategies, and two value chain roadmaps—all now in use by public institutions, academia, and private sector clusters.

Digitalization was another leap forward. GRASP introduced powerful Management Information

Systems (MIS) and databanks that house profiles of nearly 45,759 SMEs across Sindh and Balochistan. This digital ecosystem has enabled stakeholders—ranging from regulators to financial institutions and corporate buyers—to engage with rural entrepreneurs with unprecedented transparency and efficiency.

A key outcome of this streamlining: over 50% of GRASP-supported SMEs have formalized their businesses with entities like the Federal Board of Revenue (FBR) and the Securities and Exchange Commission of Pakistan (SECP), bringing them into the fold of the formal economy.

Building Human Capital from the Ground Up

Policy frameworks and digital platforms are only as effective as the people who operate within them. GRASP recognizes this and has placed a robust emphasis on capacity building. The project has trained over 8,000 individuals, nearly 48% of whom are women, in financial literacy, digital business tools, good manufacturing practices (GMP), value addition, market-readiness, livestock health, and climate-smart agriculture.

Market access remains one of the greatest challenges for rural SMEs. As per the Journal of Business and Economic Options (2024), the lack of connectivity—phy sical and informational—ren ders many rural producers unable to compete effectively. GRASP filled this void by linking small businesses to suppliers, buyers, and service providers at local, provincial, and international levels. Targeted exposure visits allowed entrepreneurs to understand pricing, packaging, distribution, and consumer expectations.



The results? According to a recent outcome survey by the International Trade Centre, SMEs supported by GRASP recorded an average 28% increase in annual sales and a 38% rise in profits. For women-led businesses, revenue growth was even more striking—a 51% increase, nearly double that of their male counterparts.

Unlocking Financial Access

Access to capital is the lifeblood of any enterprise, yet rural SMEs face consistent barriers from traditional lenders. GRASP tackled this through a two-tier strategy: performance-based matching grants and institutional partnerships with financial bodies.



Matching grants were provided in different sizes. The matching grant sizes in first three cycles were: PKR

0.5 million, PKR 2.5 million and PKR 30 million. Whereas, in fourth cycle the sizes were PKR 2.5 million, PKR 5 million, PKR 10 million and PKR 20 million.

Till July 2025, 399 such grants, collectively valued at PKR 1.5 billion, have been awarded. Of these, 39% went to women-led enterprises, a major leap for inclusive financing.

In parallel, GRASP signed MoUs with 25 financial institutions, including the State Bank of Pakistan and commercial/microfinance banks. These collaborations helped 417 SMEs secure loans worth PKR 741 million, including PKR 58 million for women entrepreneurs. Importantly, some beneficiaries also gained insurance coverage—a critical safety net for safeguarding livestock, equipment, and crops from climate-induced calamities.

As a direct outcome, GRASP's interventions have sustained or generated over 15,000 full-time jobs, including 4,520 positions for women, reshaping the gender dynamics in rural labor markets.

Climate Resilience at the Core

Pakistan ranks among the top 10 most climate-vulnerable countries, and for its predominantly agrarian economy, the stakes could not be higher. GRASP embeds climate-smart agriculture (CSA) practices into its design—not as an add-on but as a core pillar. Through Farmer Climate Business Schools (FCBS), smallholders have been trained in CSA techniques, enhancing their ability to cope with erratic weather, water scarcity, and soil degradation.

According to GRASP data, 80% of matching grant recipients have adopted green technologies like drip irrigation, solar-powered systems, and regenerative land-use practices. These upgrades not only improve productivity but also serve as buffers against environmental shocks.

Inclusive by Design

One of GRASP's standout features is its commitment to inclusive economic growth. The numbers bear this out: 39% of all matching grants were awarded to women-led businesses, and additional grants went to transgender entrepreneurs, people with disabilities, and members of marginalized communities.

But inclusion wasn't just tokenistic—it was structurally embedded. Loans were tailored to match women's repayment cycles. Trainings were delivered in local languages. Exposure visits and business engagements were designed keeping cultural norms and mobility constraints in mind. These thoughtful interventions ensured not just participation, but meaningful empowerment.

From Project to Policy: A Scalable Blueprint

What GRASP has achieved is more than a series of development wins—it is a proof of concept. The project has aligned national policy with grassroots entrepreneurship, linked financial institutions to underserved communities, and proved that climate resilience and economic growth are not mutually exclusive.

Whether it's a woman-led goat farm in Tando Allahyar or a solar-powered onion dehydrator in Khuzdar, GRASP showcases a scalable, replicable model of rural transformation. With 11 value chains activated across 22 districts, the model is ripe for national adoption.

If scaled, GRASP could accelerate rural development, create thousands of jobs, improve food security, and help Pakistan meet its Sustainable Development Goals (SDGs)—not through charity, but through competitiveness, inclusion, and innovation.



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Marrying Talent *with* Opportunity

Mohammad Nadeem Khan
Chief Executive Officer, PTCL



I begin with thanks to the Pakistan Poverty Alleviation Fund. For years, PPAF has done the patient work of reaching communities that development efforts too often overlook. Ba-Ikhtiar would not exist without its experience, its credibility on the ground and its willingness to test a new idea with us. What follows is as much its story as ours.

Pakistan's women have never lacked skill or enterprise. In villages and small towns across the country, they stitch, cook, craft and trade, often supporting entire households while remaining largely invisible to the formal economy. What they lack is access to markets beyond their neighborhoods, to finance, to technology and to the networks that turn a good product into a viable business. The task before us is not to teach women something new, but to build the ecosystem in which what they already know can become a secure livelihood.

That conviction shaped Ba-Ikhtiar from the start. The programme began as a pilot with 100 women entrepreneurs in Haripur, Khyber Pakhtunkhwa, combining vocational skills with digital literacy, financial awareness and basic business training. The results were modest in scale but clear in meaning. Women who had sold only within their own communities began to find customers online and to think of their work as enterprises rather than side income.

The programme has since



grown considerably. Its second phase spans 22 districts and is reaching around 2,100 women. The livelihoods it supports have widened as well, from stitching and handicrafts to pottery, food preservation and organic cosmetics. Economic empowerment has no single template, and a programme that pretends otherwise will fail the people it means to serve.

This growth has also changed how I think about our own industry. For a telecommunications company, connectivity has long been the core business, and it is easy to treat access as the achievement. I no longer believe that. A connection matters only for what it makes possible, like access to education, facilitating a payment, enabling a customer, and helping a market reach its full potential. Digital inclusion means little if people are handed access without the confidence and capability to use it. The harder and more valuable work is to build both.



That is why no single institution could have done this alone. PPAF has deep roots in communities and decades of development experience. PTCL brings connectivity and technology. Ufone 5G and UBank extend the network and open the door to financial services, while Daraz provides a route to online markets. Each contribution is useful on its own, but the value lies in how they fit together. Ba-Ikhtiar shows what becomes possible when the private sector and development institutions work towards a common goal rather than in parallel.

The programme has drawn recognition, and we are grateful for it. But the measure that matters is simpler and more demanding. Is a woman in a better position to earn, to make decisions and to protect her family against hardship than she was before?

This question guides our wider approach to social responsibility through Dil Se, the platform under which PTCL directs its community efforts. A company with our scale and national presence cannot treat giving back as a series of one-off gestures. It owes the country a sustained commitment to the structural gaps that hold people back, and it should use the strengths of its business to close them. Digital inclusion, women's economic participation, access to essential services and community resilience are

areas where we can make a real and lasting difference.

Looking ahead, the challenge is to move from empowerment to scale, and from individual success stories to stronger local economies. I want to see more women move from informal activity to sustainable enterprise, their products reaching wider markets, and their communities benefiting as a result. That will demand continued partnerships, stronger digital and financial skills, better links to buyers, and a habit of listening closely to the women the programme is meant to serve.

Above all, it will demand a discipline about sustainability. A good programme does not create dependence on itself rather it leaves behind capabilities that outlast it.

If Ba-Ikhtiar succeeds, it will be because a woman's talent became opportunity, her opportunity became a livelihood, and her livelihood gave her household a measure of security it did not have before. The journey from Haripur has shown that this is achievable. The next chapter is about taking it much further.



Mohammad Nadeem Khan is the Chief Executive Officer of PTCL





About Ba-Ikhtiar

Ba-Ikhtiar is a joint initiative of PTCL and the Pakistan Poverty Alleviation Fund (PPAF), designed to show how digital access can help women turn their existing skills into sustainable economic opportunities.

The initiative began as a pilot in Haripur, bringing together vocational training, digital literacy, financial capability and market access for 100 women entrepreneurs. Ufone provided connectivity and digital access, while U Bank and Daraz helped build the participants' financial and e-commerce capabilities. The results went beyond training. Women began using digital platforms to market and sell their products, manage payments and reach customers beyond their local communities. Seventy-nine women formally graduated from the pilot, two represented the initiative at GITEX Global 2024, and the beneficiaries' work was later showcased through an AI-powered fashion show. Together, these milestones demonstrated how skills, technology and market linkages can create new economic pathways for women.

Phase II builds on this experience by taking the model beyond a single district and adapting it to diverse communities across Pakistan. At GITEX Global 2025 in Dubai, PPAF and PTCL formalised an agreement to expand Ba-Ikhtiar, marking its transition from a pilot to a larger-scale programme. The Phase II framework covers 22 districts and aims to reach 2,100 skilled and semi-skilled women, particularly in communities affected by economic and climate-related challenges. The focus has also broadened from traditional crafts to a wider range of livelihood opportunities, supported through regional partners and an ecosystem that connects skills development, digital technology, financial literacy and market linkages.

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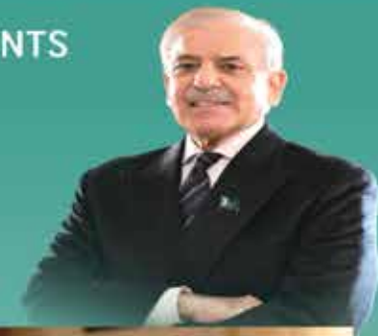

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Role of Controller General of Accounts & Military Accountant General: ➤ Pension Reforms ➤ Pension Verification System Policy, Supervision & Guidance

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*Phase I Disbursements:

134,439 LOANS
196.88 BILLION

Partner MFIs as lenders on record. Funded entirely by the Government of Punjab, with credit risk shared by BOP and GoPb.

*NOT CAPTURED IN SBP DATA

Phase II Disbursements (10th Sep):

65,633 LOANS
62.8 BILLION

BOP as lender — entirely digital, with MFIs and The Urban Unit as service providers. A first for Pakistan.



Timeline

Sep 2024	Programme Launched
Oct 2024	First Loan Disbursed
Mar 2026	Phase 1 Completed
Apr 2026	Phase 2 Commenced - BOP Lending Directly
10 Sep 2026	200,000 - Borrower Mark Crossed

Partners: NRSP, PHATA, PITB

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MINERAL ACREAGE
2,489

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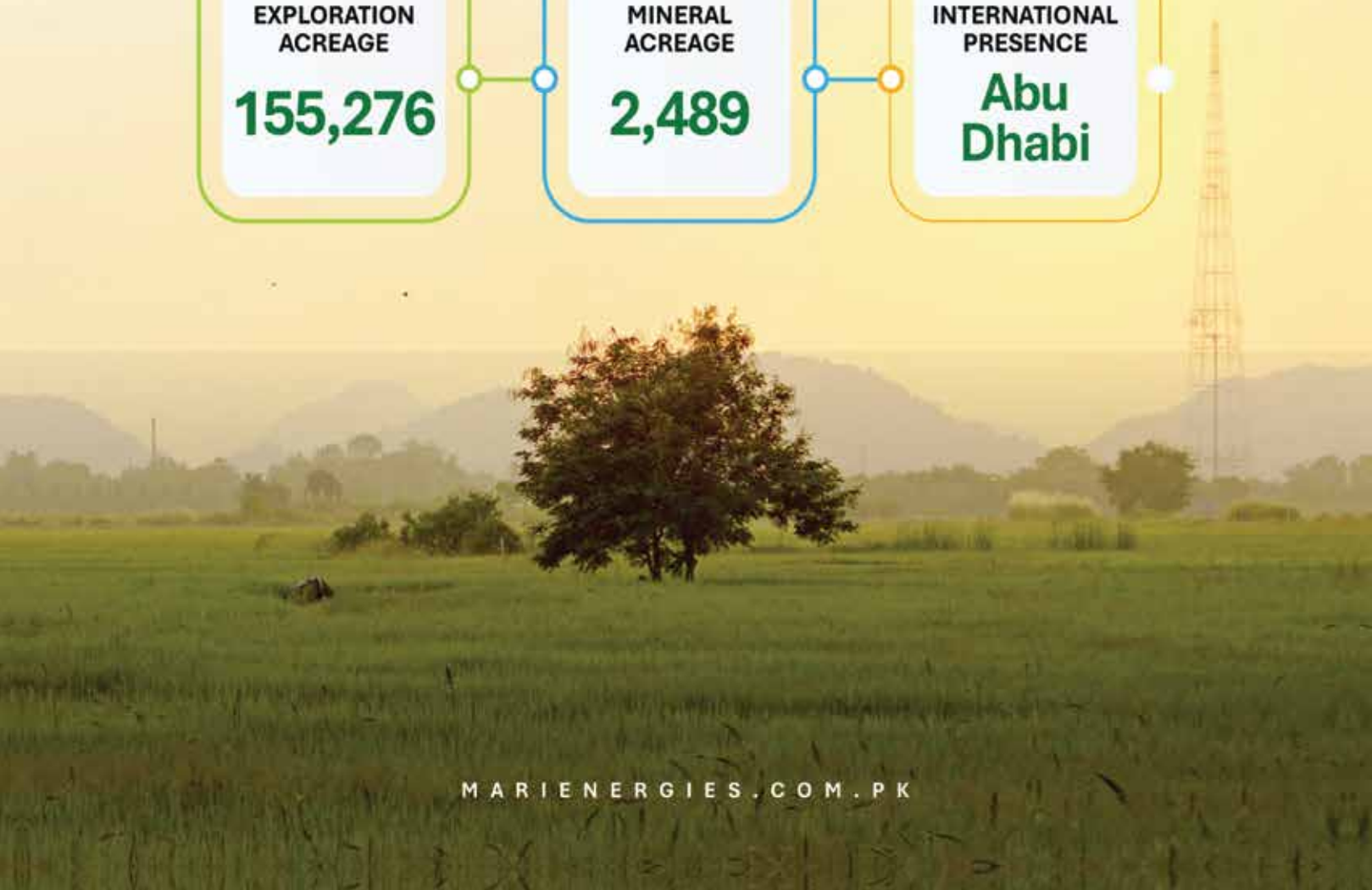

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