

Concept Note for

Targeting the Ultra Poor (TUP) Project for Afghan Returnees

Fostering Economic Resilience and Self-Sufficiency

Background

The return of Afghan nationals from Pakistan and Iran has left many returnees in critical economic situations and unable to secure stable livelihoods. The Community and Enterprise Development Organization (CAEDO) conducted a study to assess the livelihoods, needs, and opportunities of these returnees. The study was conducted with a small sample of returnees in Kabul, Maidan Wardak, and Parwan provinces, aiming to identify the economic, social, and financial barriers faced by returnees and to explore potential pathways for their economic empowerment.

The study underscores the need for targeted interventions to support the reintegration of returnees into Afghanistan's economy. While various types of interventions could be designed to meet the diverse needs of all returnees, we propose an initial focus on the poorest families, addressing the most urgent cases first. By working with a targeted group of these families, we can demonstrate the impact of tailored support, gain valuable insights, and refine our approach for a broader, scaled-up program. The findings from CAEDO's study highlight that, returnees facing the deepest financial hardship—those with limited income opportunities, overwhelming debt, and restricted access to resources—require focused, intensive support that goes beyond traditional poverty alleviation methods. In response, we recommend implementing the “Targeting the Ultra-Poor (TUP)” or “Ultra-Poor Graduation” intervention. This model emphasizes asset transfers, skills development, and social inclusion to help these families build sustainable livelihoods and achieve lasting self-sufficiency. By addressing both immediate needs and long-term resilience, this approach offers a meaningful path forward for Afghanistan's most vulnerable families.

The Ultra-Poor Graduation approach has been widely recognized as a successful model for poverty alleviation, originally pioneered by BRAC in Bangladesh and subsequently adapted in various countries worldwide. In Afghanistan, the World Bank implemented this approach, achieving notable outcomes in supporting the ultra-poor. Reports by the Development Impact Evaluation (DIME) team at the World Bank and the Afghan Ministry of Economy provide clear evidence of the program's long-term impact, demonstrating sustained improvements in the livelihoods and resilience of participants even years after the program's completion. These evaluations underscore the Graduation approach's effectiveness in driving meaningful and lasting change for vulnerable populations.

Project Objectives

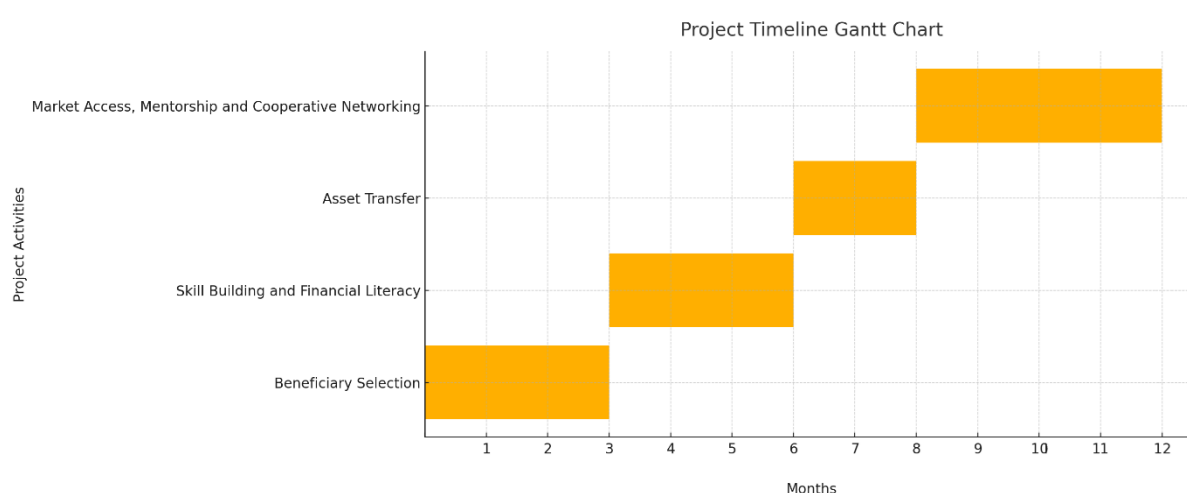
Our recent survey of returnees from 2023 and 2024 reveals that a significant proportion of returnees in the target provinces are estimated to be ultra-poor families: 40% in Kabul, 48% in Maidan Wardak, and 47% in Parwan. This equates to approximately 12,075 families in Kabul, 84 families in Maidan Wardak, and 1,410 families in Parwan. CAEDO proposes to implement a TUP project with 300 families as a 'proof of concept' or 'learning' project. Based on the outcomes of this project, CAEDO could scale it up to include more families in these provinces and possibly even expand to other provinces in the

future. By addressing key barriers identified in the survey, the program will create sustainable livelihood opportunities and strengthen economic foundations for these families.

Program Design

The TUP program will span 12 months to achieve its objectives, focusing on several core areas, including:

1. **Beneficiary Selection:** A sample of 300 of the poorest returnee families—100 from each target province (Kabul, Parwan, and Maidan Wardak)—will be selected to achieve economic resilience, self-sufficiency, and long-term stability. This will be done through interviews and field verification, assessing each family's income level, debt burden, skills and employment status, and family structure.
2. **Skill Building and Financial Literacy:** Equip beneficiaries with vocational and financial skills tailored to market demands, laying the foundation for sustainable income generation.
3. **Asset Transfer:** Provide essential assets that beneficiaries can leverage to launch income-generating activities and secure financial independence.
4. **Market Access, Mentorship and Cooperative Networking:** Facilitate entry into local and regional markets, providing beneficiaries with mentorship to guide their business growth. Support sustainable business goals and build community-driven economic networks.
5. **Lessons Learned:** After the project has been completed (i.e. after one year), we will assess the process and results and distill lessons that can be incorporated into a larger program.
6. **Inclusive Economic Development:** While this approach focuses on families, it is essential to include women given the extra barriers they face and their essential role in the household.



Program Implementation

CAEDO will implement the Targeting the Ultra Poor (TUP) Project for Afghan Returnees in partnership with BRAC. Given BRAC's proven expertise and success in pioneering the Ultra-Poor Graduation approach globally, their involvement will ensure a well-structured and impactful program. BRAC's

extensive experience in poverty alleviation, particularly within similar contexts, makes them an ideal partner. Together, we can leverage BRAC's resources and experience to effectively address the unique challenges faced by returnees, fostering economic resilience and self-sufficiency among Afghanistan's most vulnerable populations.