

TARGETING THE ULTRA POOR IN AFGANISTAN



Presented by Guadalupe Bedoya

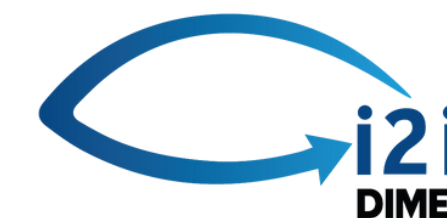
November 15, 2023

This presentation is based on:

- [Bedoya, G., Coville, A., Haushofer, J., Isaqzadeh, M., & Shapiro, J. \(2019\). No household left behind: Afghanistan targeting the ultra poor impact evaluation. *Policy Research Working Paper. No. 8877* and](#)
- [Bedoya, G., Belyakova, Y., Coville, A., Escande, T., Isaqzadeh, M., & Ndiaye, A. \(2023\). The enduring impacts of a big push during multiple crises: experimental evidence from Afghanistan. *Policy Research Working Paper. No. 10596*, with accompanying brief \[Building resilient livelihoods: the enduring impacts of Afghanistan's ultra-poor program.\]\(#\)](#)



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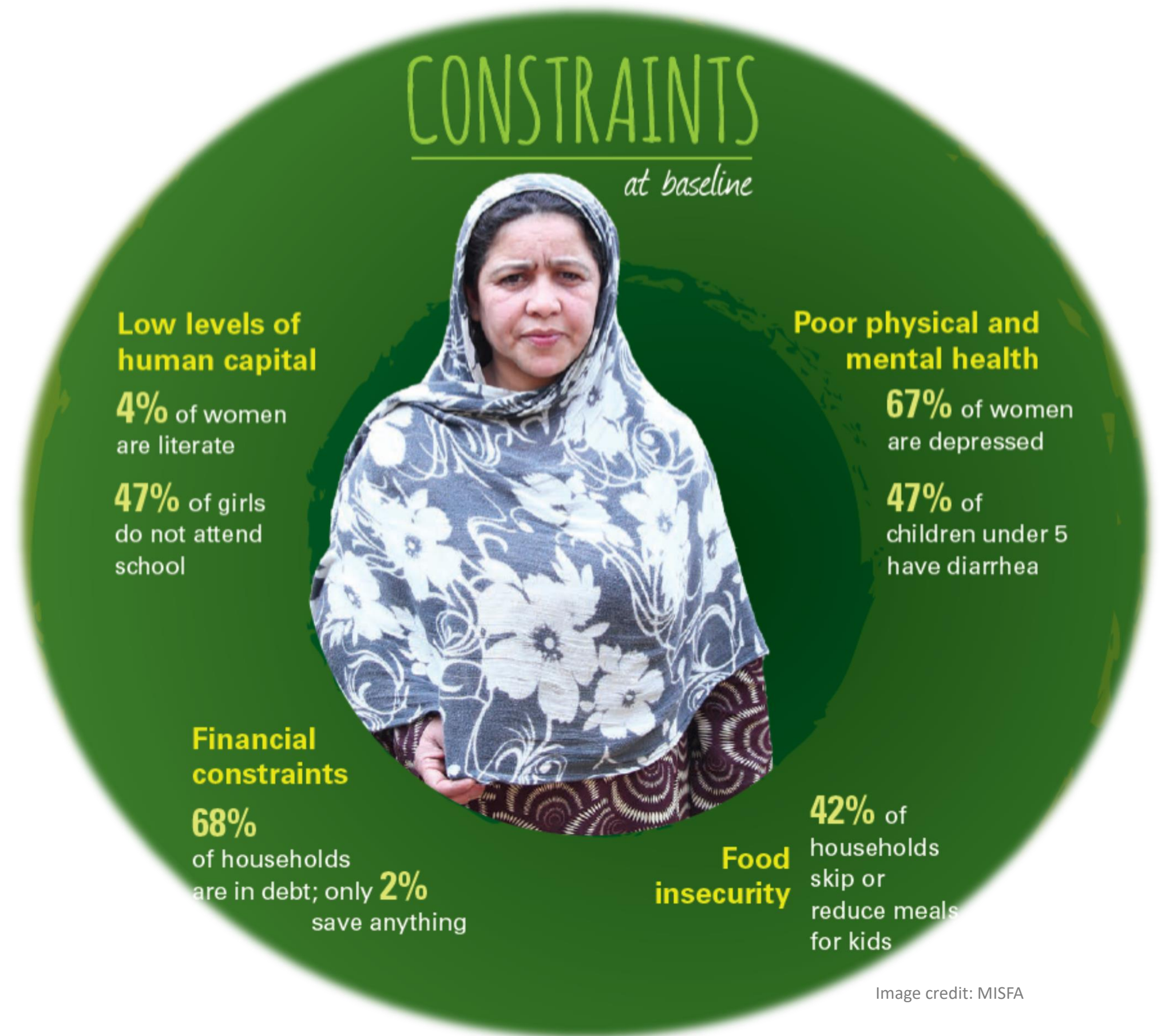


TRANSFORM DEVELOPMENT

Motivation

- More than **700 million live in extreme poverty** around the world. **Two thirds of them** expected to reside in fragile and conflict-affected (**FCV**) contexts by 2030 (World Bank 2020 & 2022)
- These settings also have:
 - **The weakest social protection systems**, making them **more vulnerable to shocks** (Wellenstein et al. 2022)
 - **Scarce evidence on program effectiveness** due to conflict and political instability
- Questions for this session:
 - What is the impact of a big-push **Targeting the Ultra Poor (TUP)** program **one of the most fragile contexts**, Afghanistan, under simultaneous negative shocks (droughts, escalating violence, COVID)?
 - What do these results suggest about the **potential role of these types of programs for social protection in these settings** (e.g., for strengthening resilience and equality)?

The poor face multiple constraints, exacerbated in FCV contexts, requiring multi-dimensional strategies



Among the lowest women's empowerment indicators for countries with measures

Afghanistan TUP Intervention in A Nutshell

Multi-faceted programs (TUP/cash+/economic inclusion) aim at releasing multiple constraints with a big-push one-off bundle intervention to increase assets and income



Strong evidence of sustained impacts in the short- and long-term in more stable settings (See, e.g., Banerjee et al. 2015; Banerjee et al., 2021; Bandiera et al. 2017; Balboni et al. 2022; Blatman et al. 2016; Bossuroy et al. 2022)*

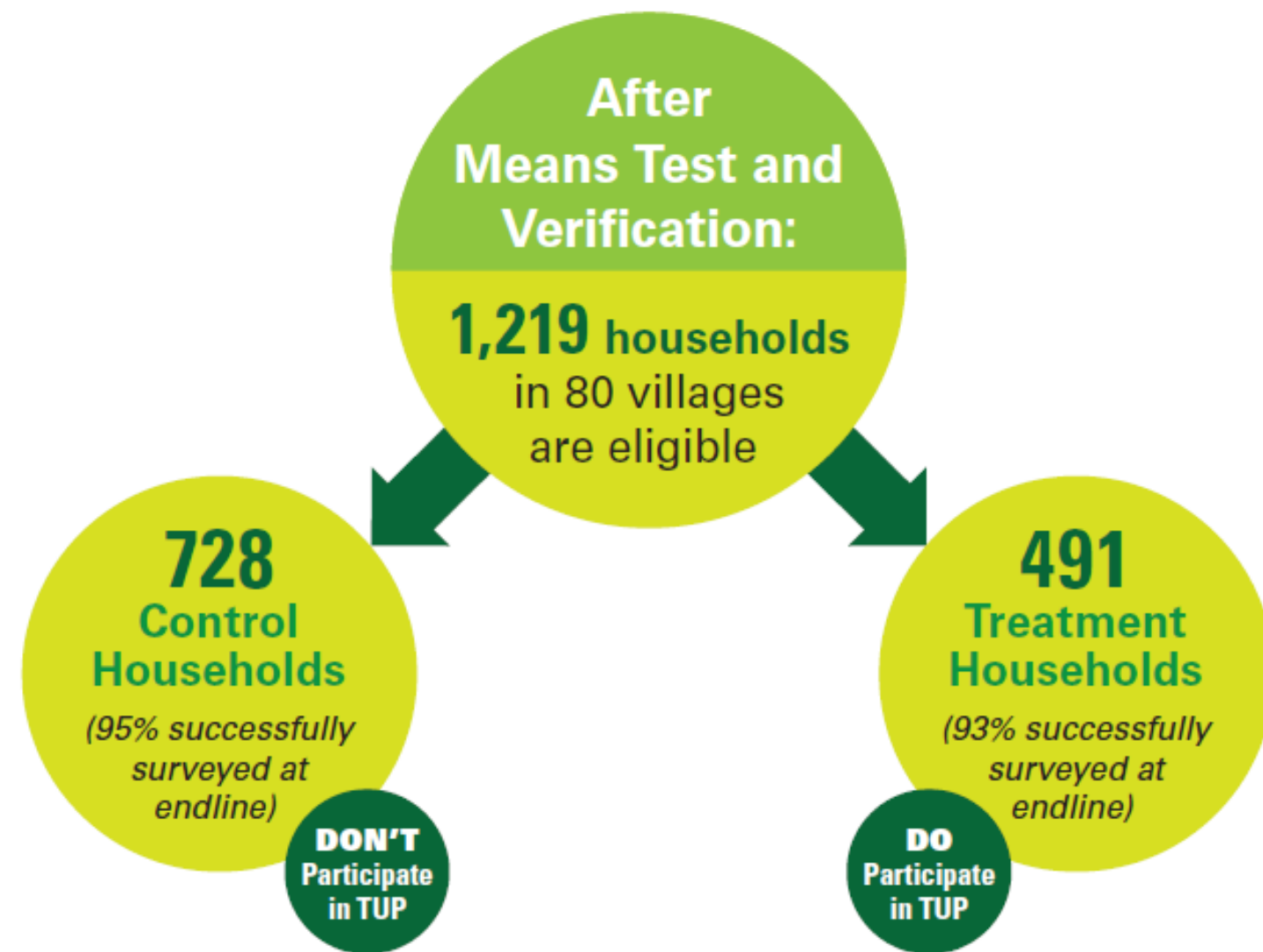


Selection:
Targeting women in ultra-poor households, Balkh province
Community-based wealth ranking + Proxy Means Test
~6% of households selected per village
Cost: ~US\$2000 per household

*More limited impacts in other FCV settings include South Sudan and Yemen due to implementation/conflict issues (Chowdhury et al. 2017; Brune et al. 2020)

One of the first experimental evidence of **impact of a TUP program in an FCV setting** 2 and 5 years after asset transfer (before the regime change)

Random Assignment by Lottery



Non-Ultra-Poor (non-UP) Random Sample

1679 households (follow-up 1)

1045 households (follow-up 2)

Timeline

Baseline:	Apr-May 2016
Lottery:	May 2016
Follow-up 1:	Jul-Oct 2018 (<i>approx. 2 years after transfer</i>)
Follow-up 2:	Feb-Jun 2021 (<i>approx. 5 years after transfer</i>)*

* Follow-up 2 was conducted by phone, therefore, only households with a working phone are included, or around 70% of the sample at follow-up 1.

1

2 years after the asset transfer the TUP significantly improved all well-being indicators,* including women's empowerment, and also reduced gender gaps

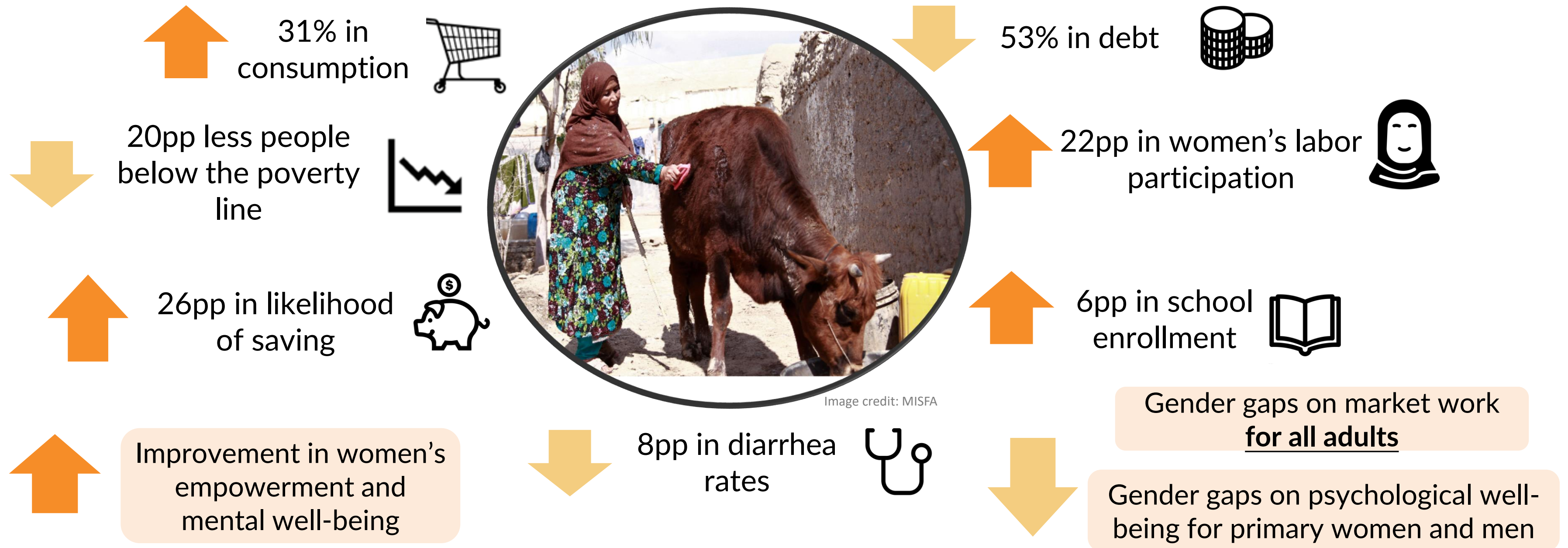


Image credit: MISFA

Improvement in women's empowerment and mental well-being

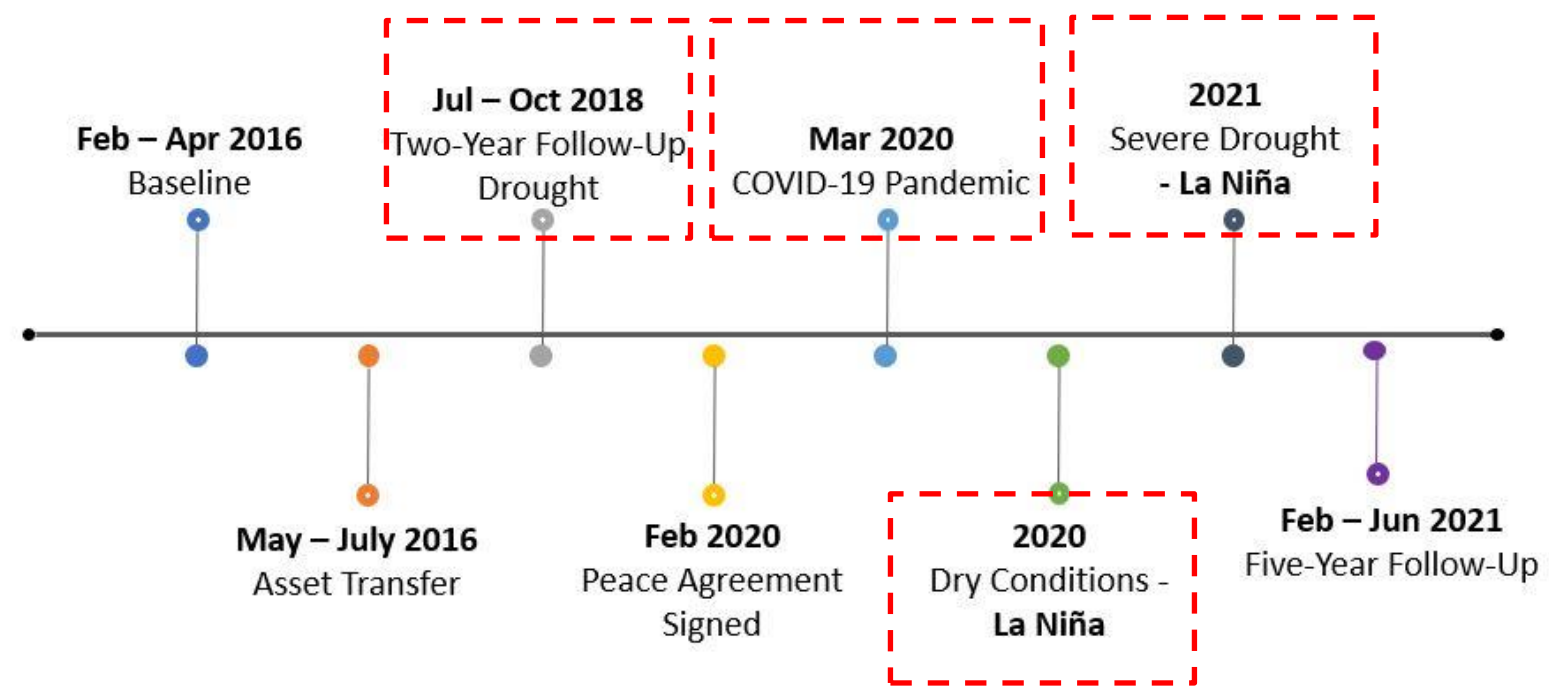
Gender gaps on market work for all adults

Gender gaps on psychological well-being for primary women and men

* All impacts are measured with respect to the mean UP control group
Source: Bedoya, Guadalupe, Coville, Aidan, Haushofer, Johannes, Isaqzadeh, Mohammad and Shapiro, Jeremy. (2019). No Household Left Behind : Afghanistan Targeting the Ultra Poor Impact Evaluation (English). Policy Research working paper, no. WPS 8877, Washington, D.C.: World Bank Group.

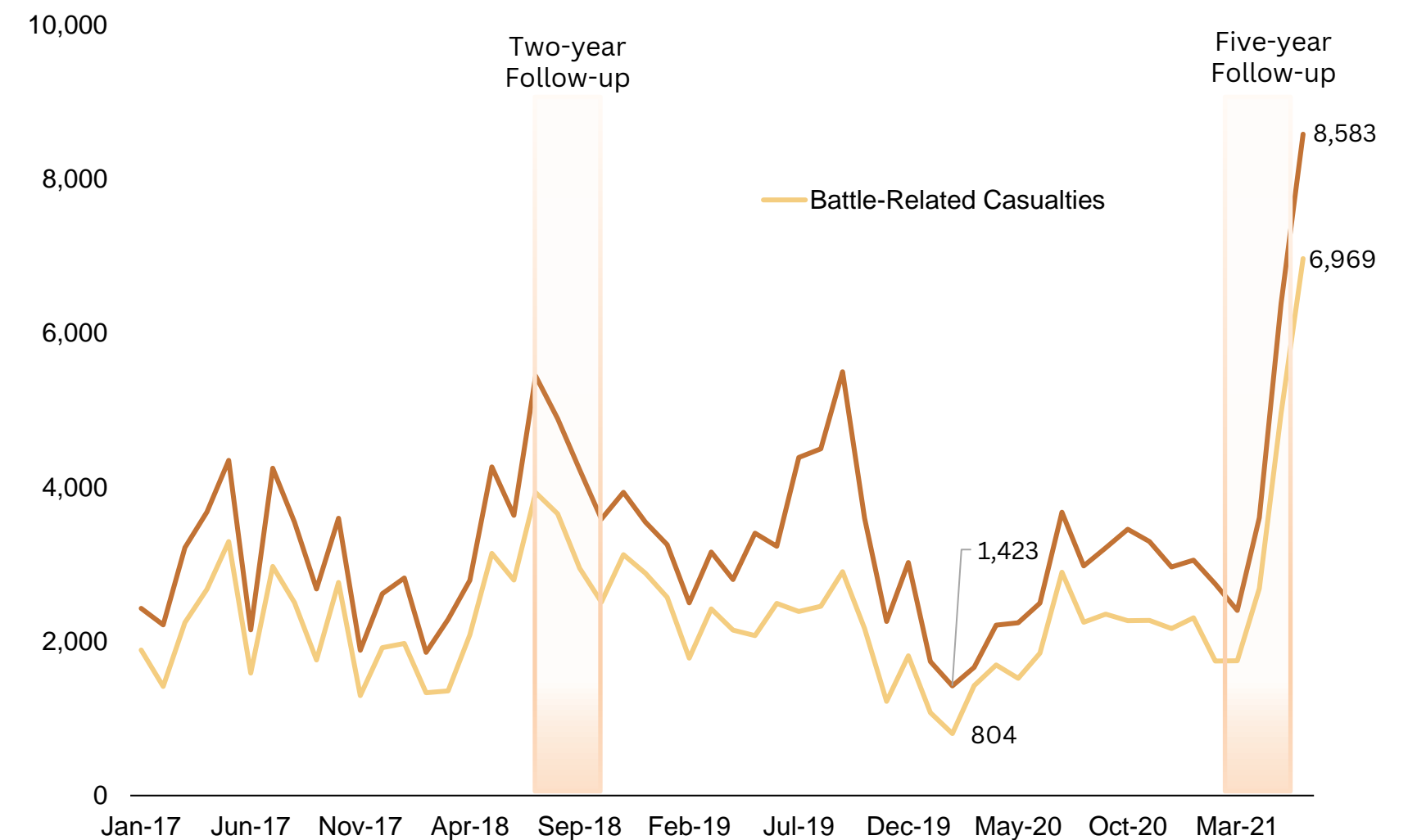
In the following 3 years, Afghanistan faced concurrent negative shocks

Multiple droughts/dry shocks
 COVID pandemic



Escalating Violence

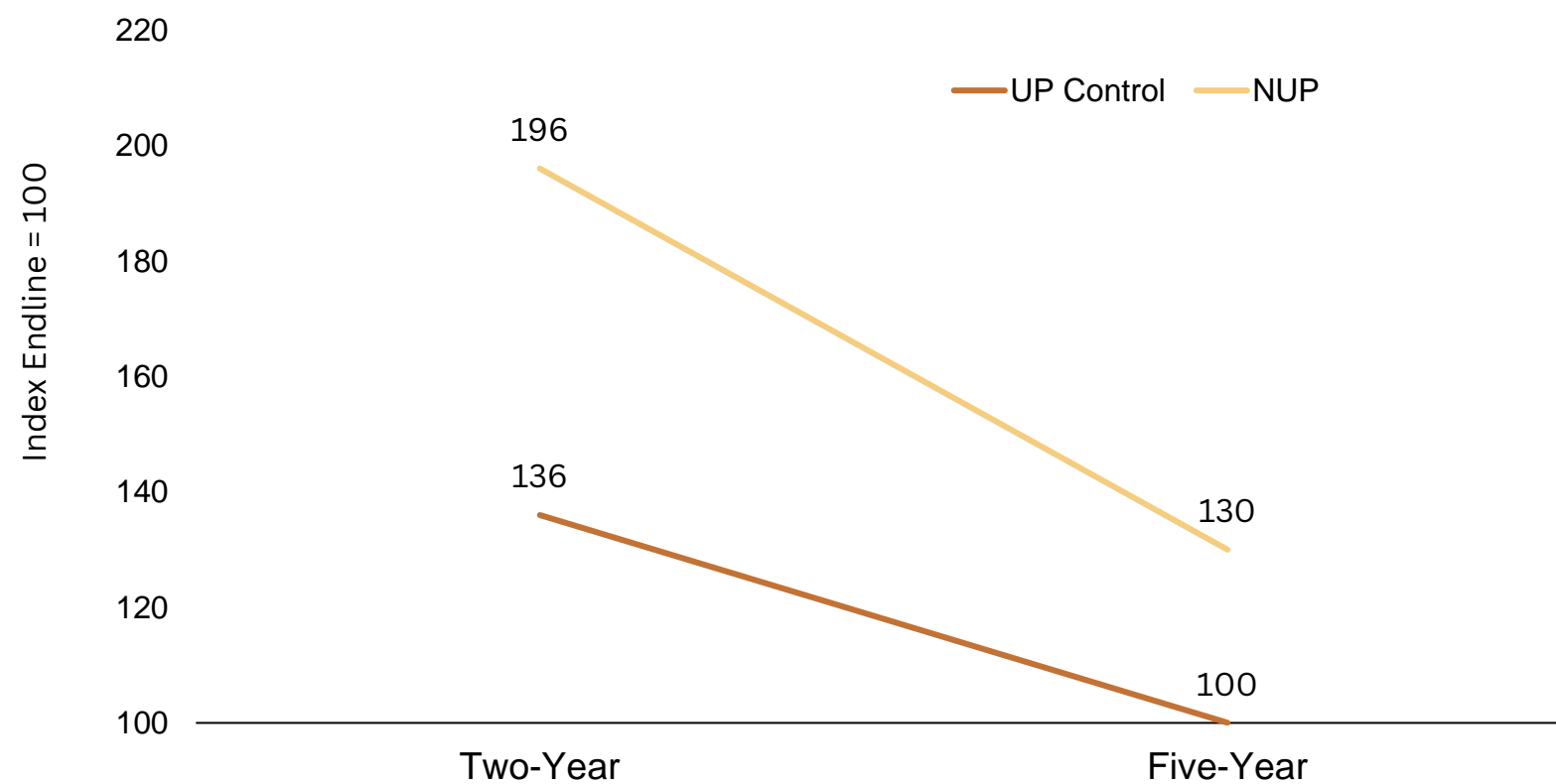
All and Battle-related Casualties in Afghanistan
 Monthly, January 2017 - June 2021



Because of the crises, the economic conditions worsened for all, ultra-poor (UP) and non-ultra-poor (NUP) households, between year 2 and 5

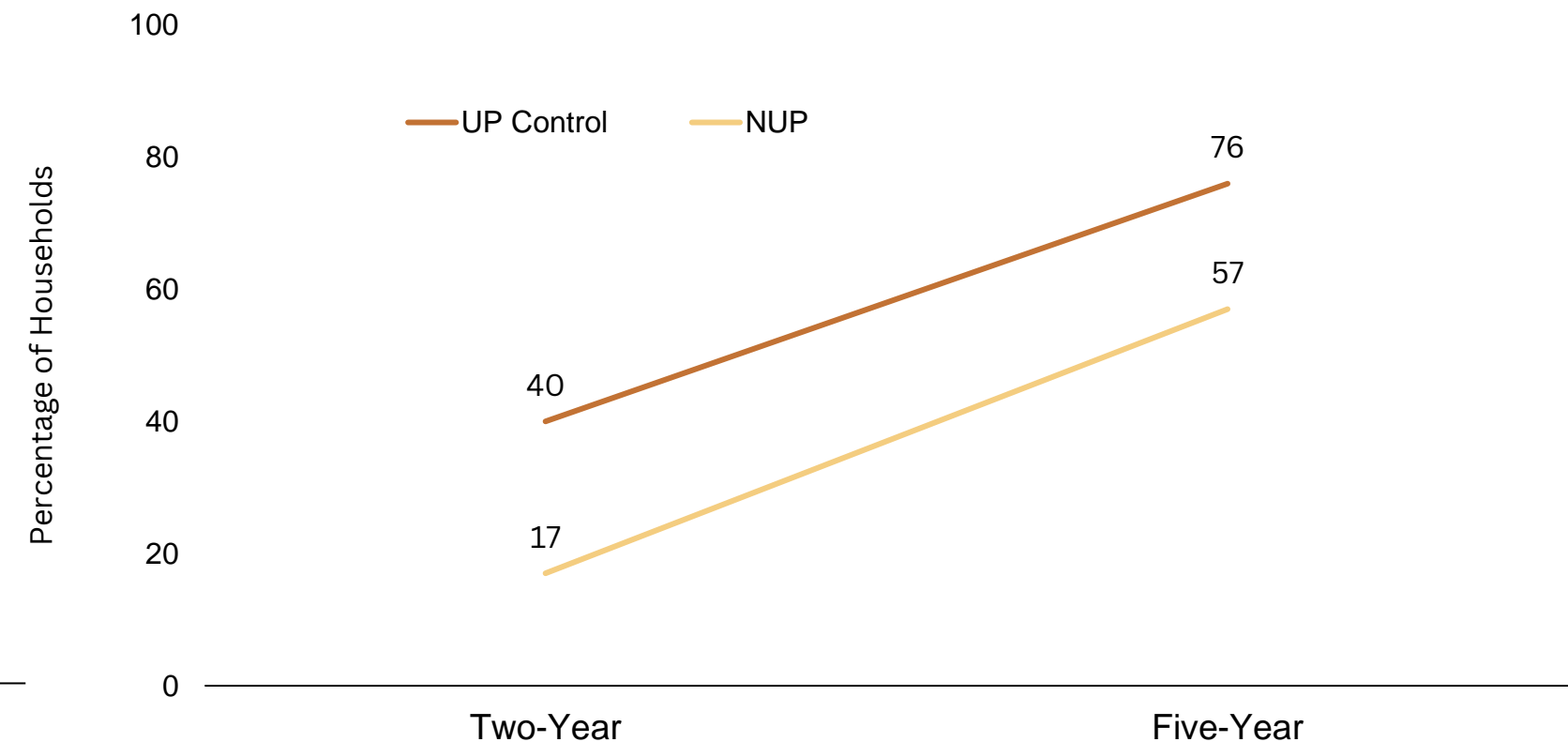
Food Consumption

Food Consumption Proxy, Per Capita, Monthly
Compared to Control UP HHs at Endline = 100, Constant



Food Insecurity

Any Child Ever Skips or Cuts Size of Meals
in Past Month



2

5 years after the asset transfer TUP impacts, including on women's empowerment, are attenuated but sustained. Although all groups are worse off, TUP households are more resilient to shocks

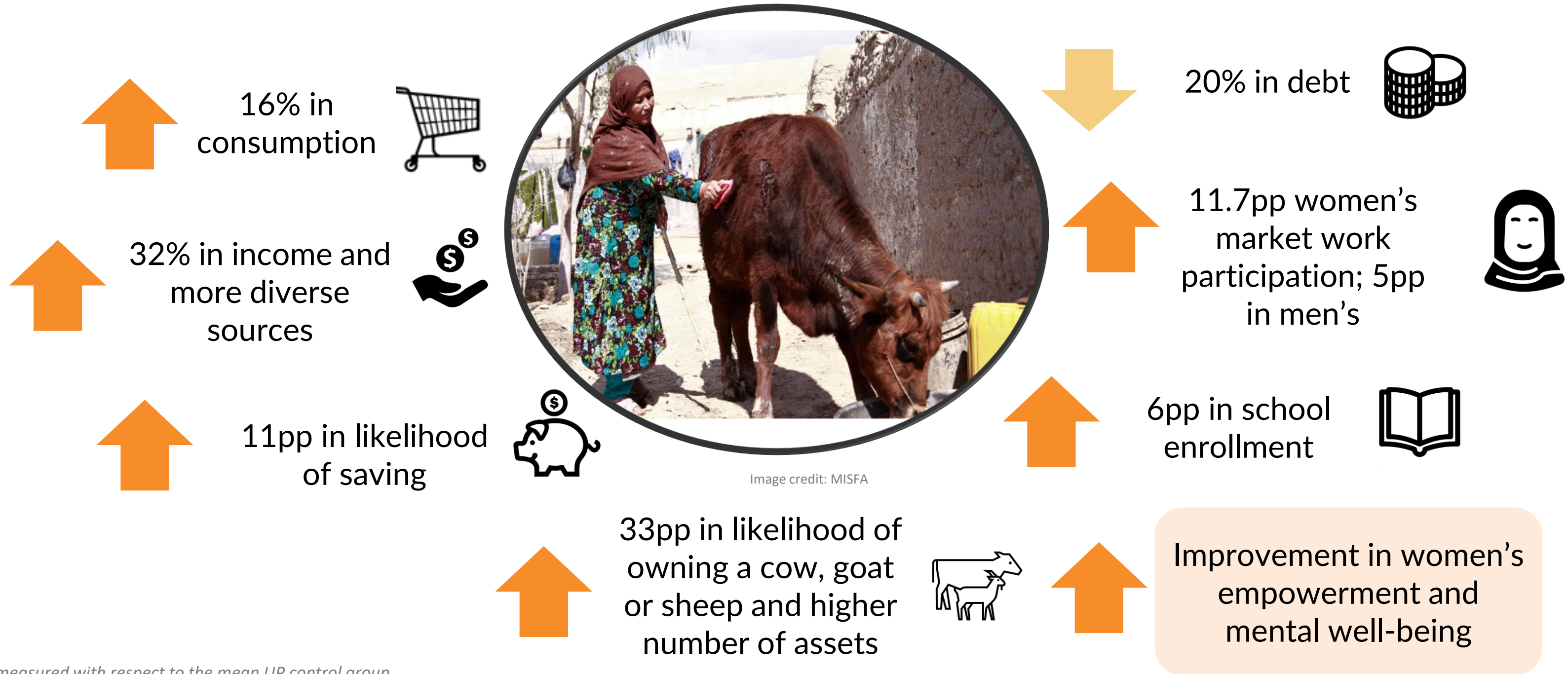


Image credit: MISFA

* All impacts are measured with respect to the mean UP control group
Source: Bedoya et al. (2023).

3

The TUP allowed ultra-poor households
to achieve greater diversification of
assets and activities
(strengthening resilience goal)

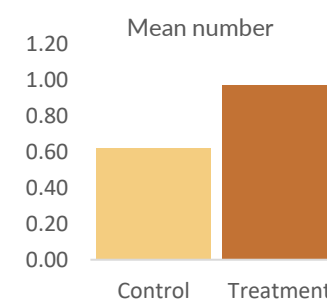
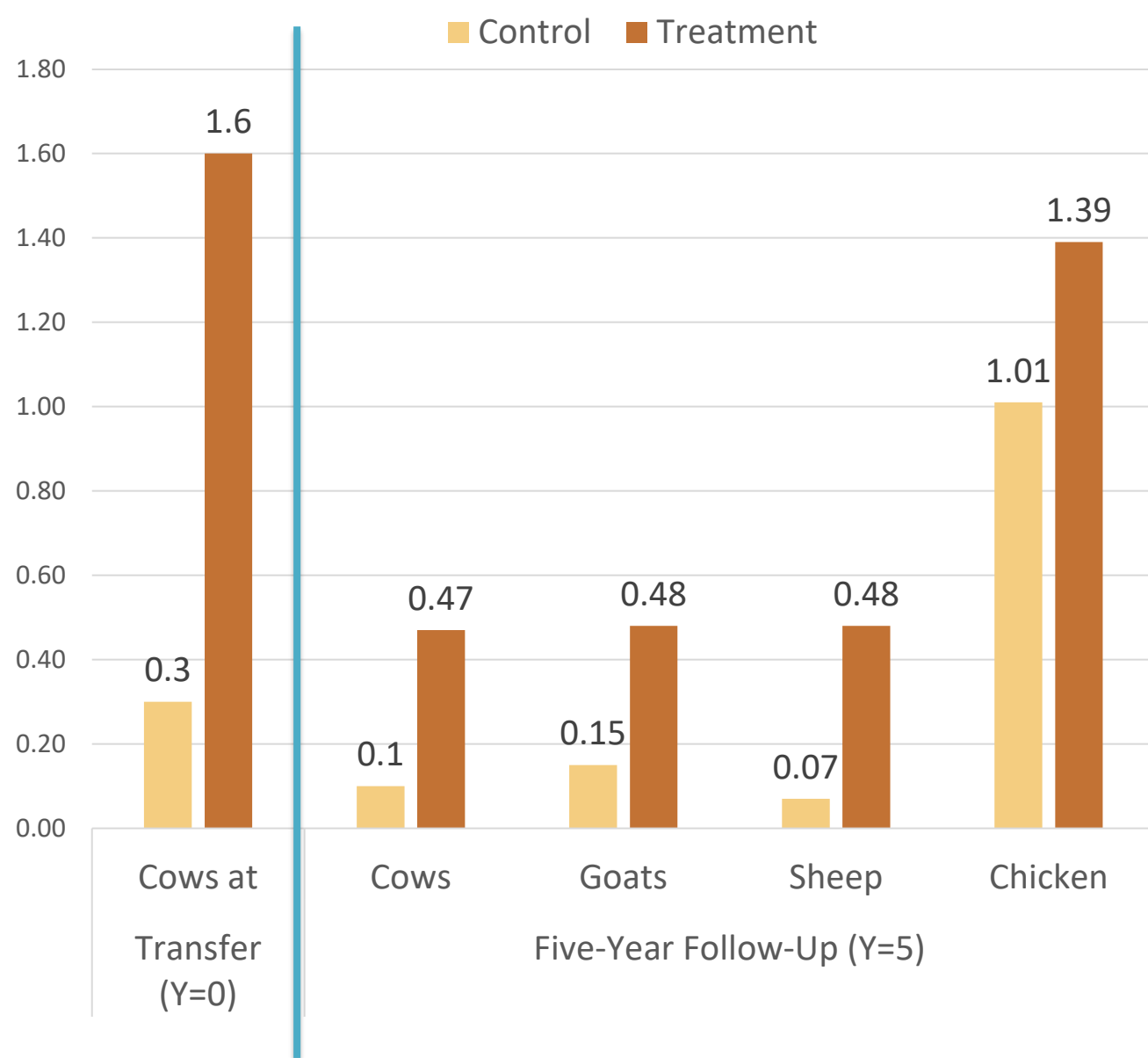
TUP households show higher diversification...

(compared to control ultra-poor households)

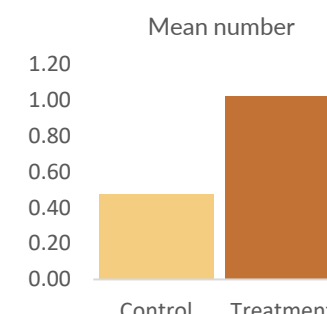
...within livestock assets...
(95% of TUP HHs selected cows as the asset)

... and across other productive assets and activities

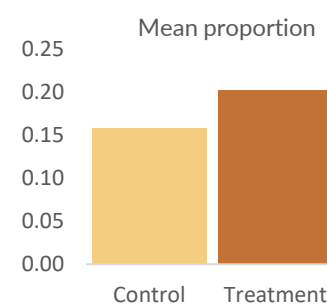
Mean Number of Livestock Owned



56% more **non-livestock assets owned** and used for production (out of 30)



Twice as many **types of crop cultivated** (out of 25)



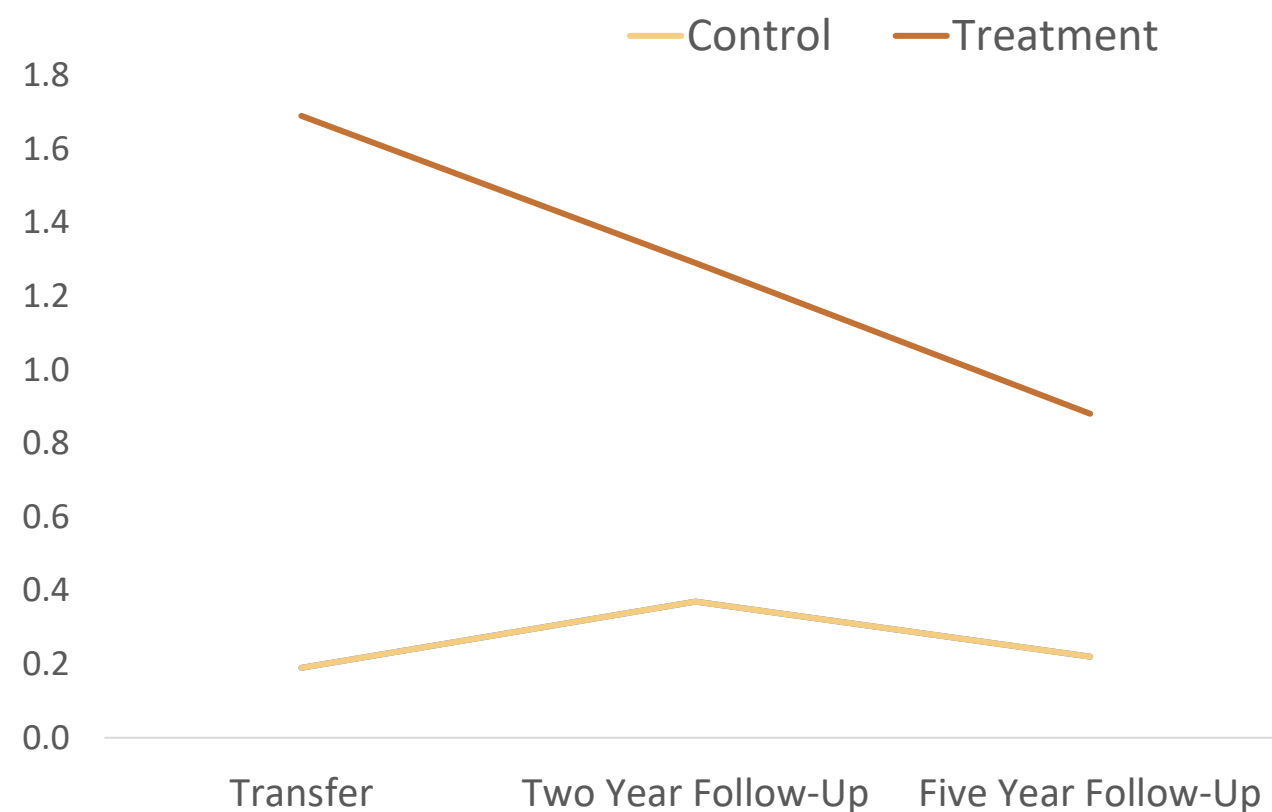
4.4pp (or 28%) higher proportion of **HHs running a non-agricultural business**

Livestock assets were an ex-ante “protective” investment for the crisis period...

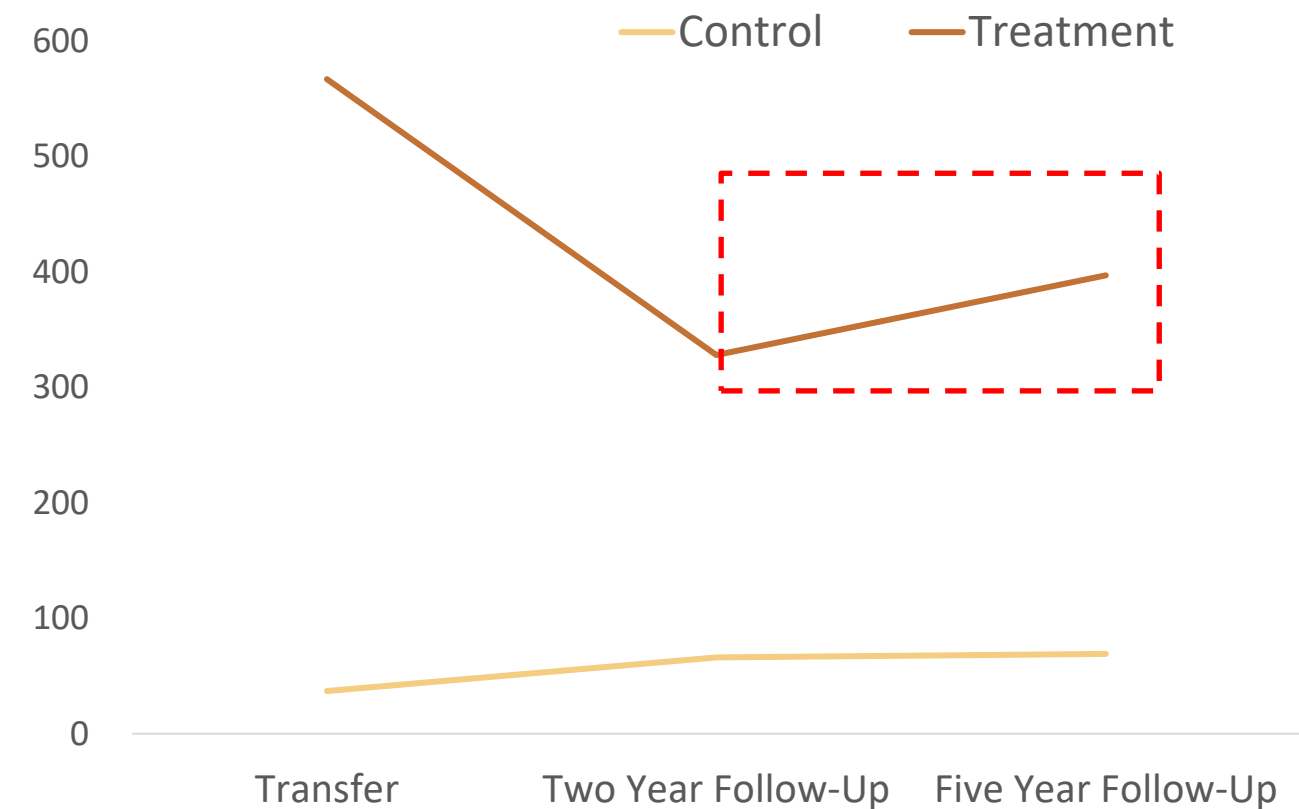
Although the number of livestock decreased between year 2 and year 5 after transfer...

... the value of the livestock increased: its price grew faster than inflation...

Number of Livestock in Cow Equivalents



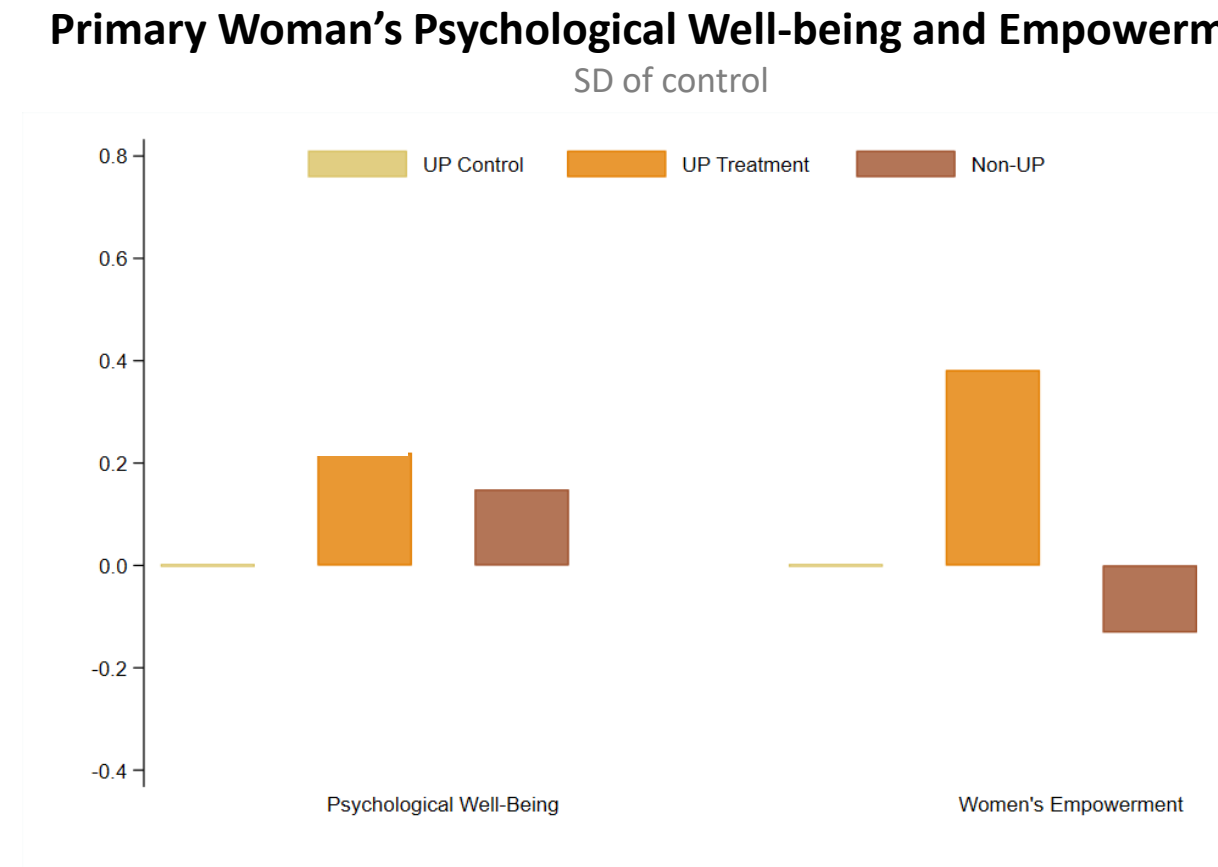
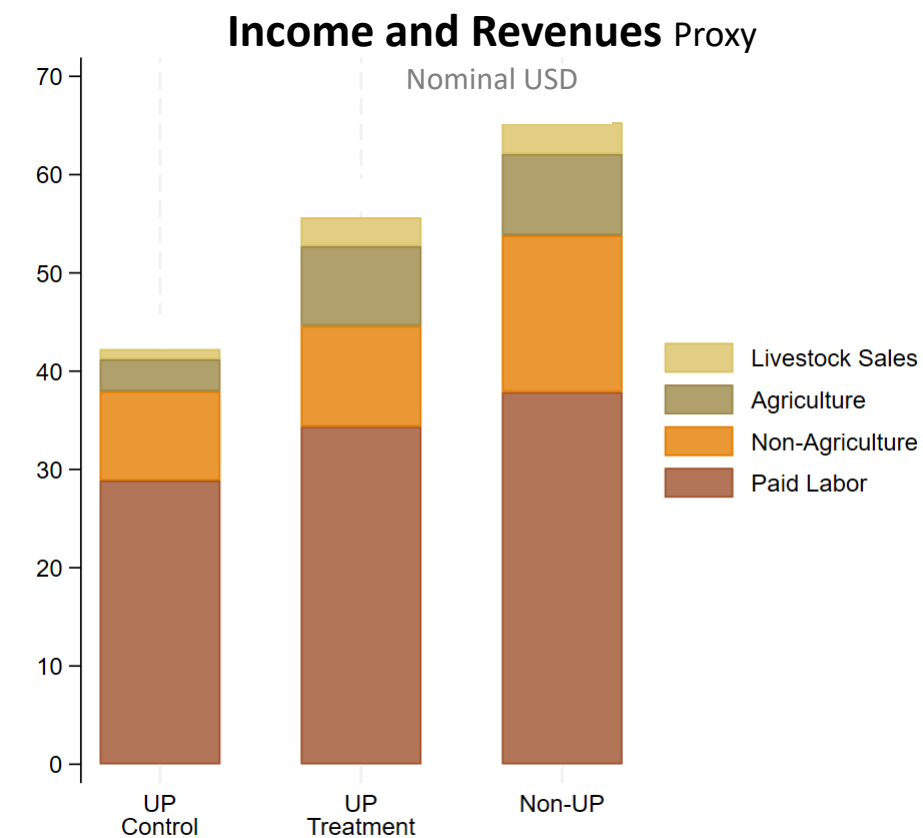
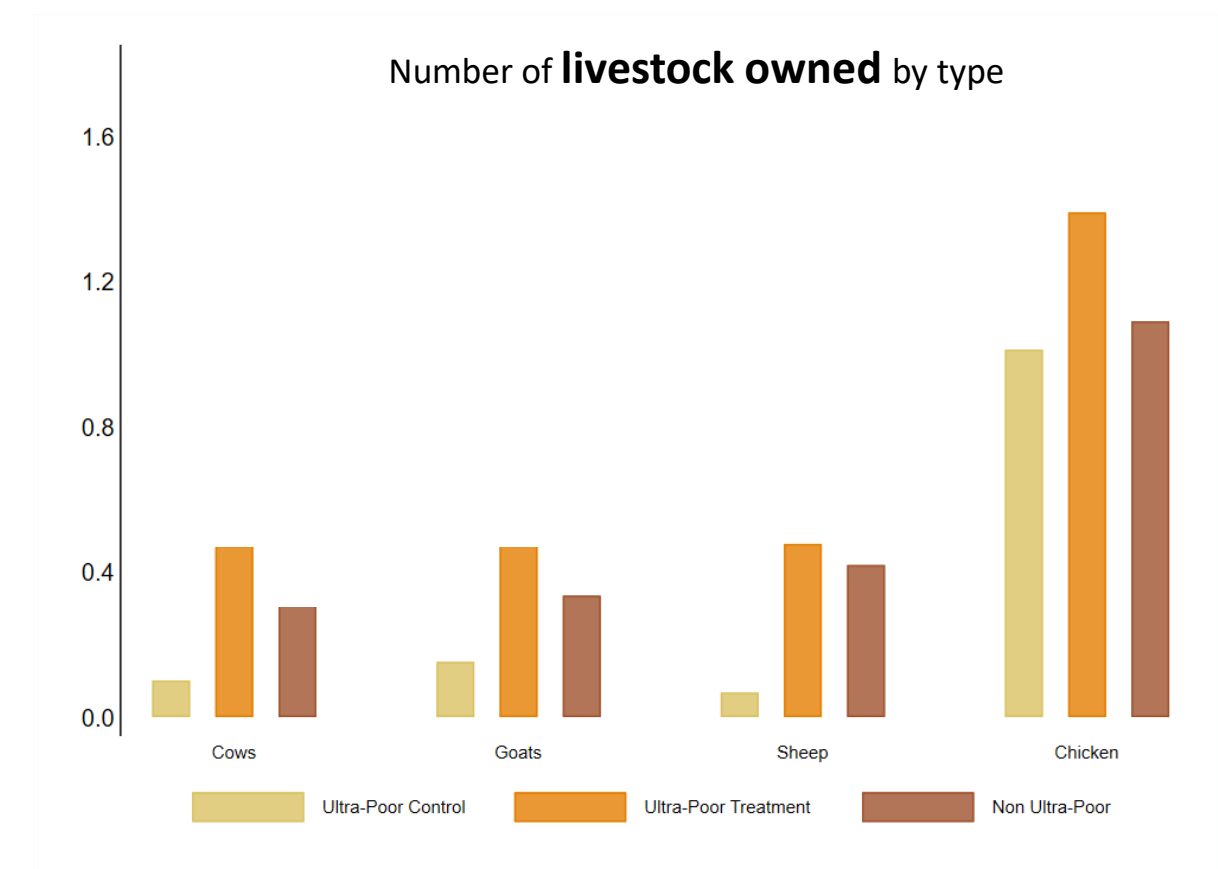
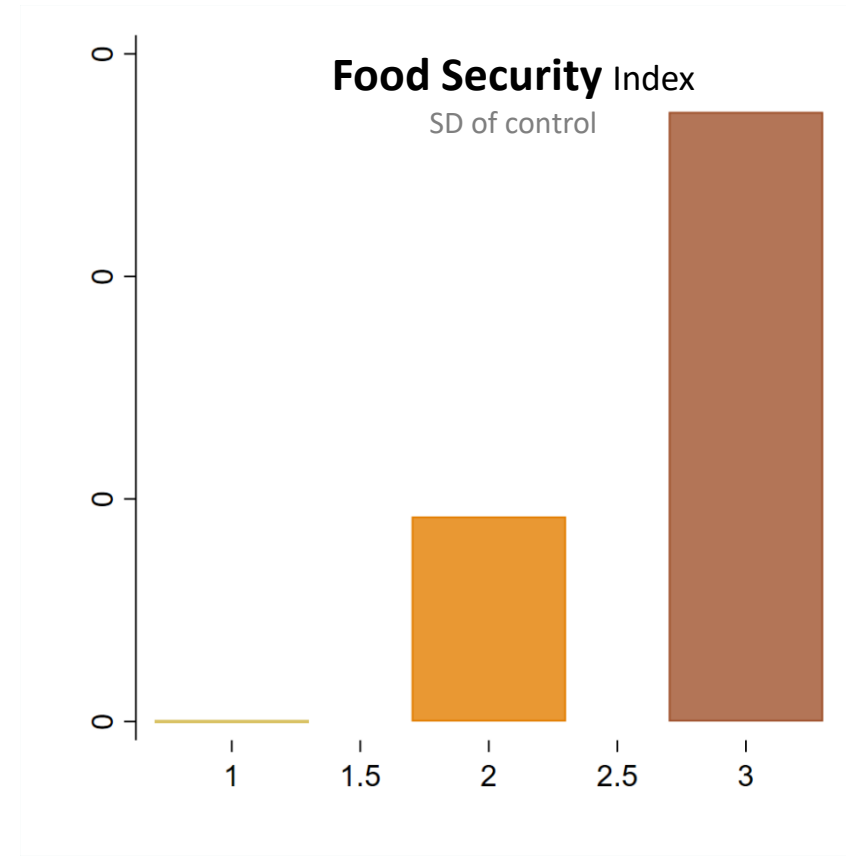
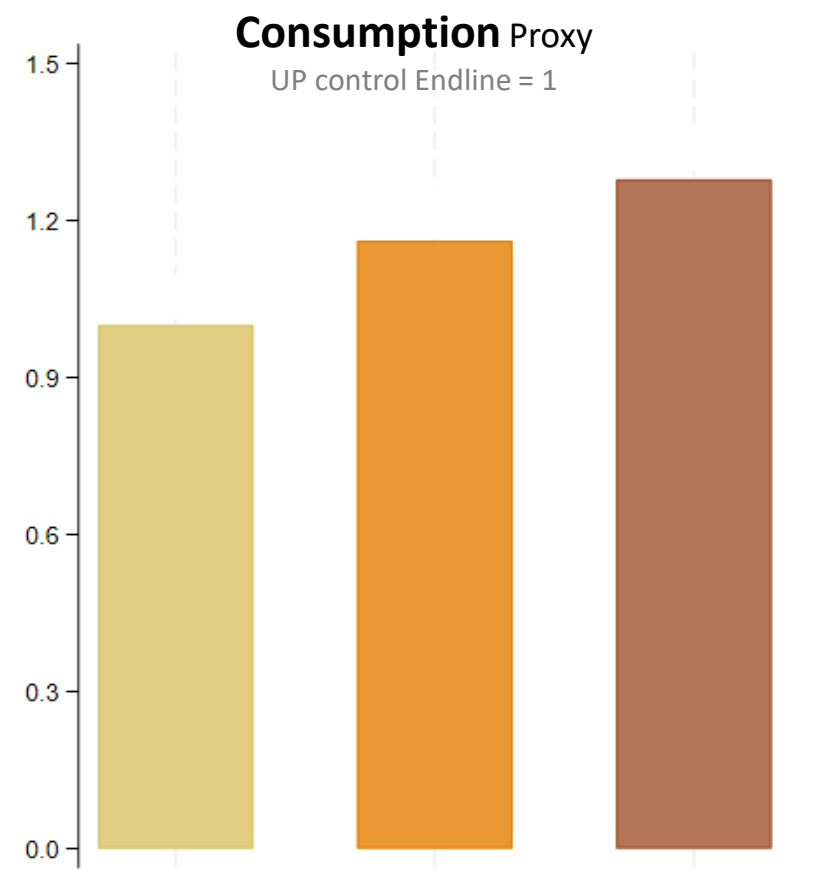
Value of Livestock Owned
Nominal USD



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The TUP allowed ultra-poor households to reduce gaps with non-ultra-poor across multiple dimensions of well-being
(reducing inequality goal)

Ultra-poor and non-ultra-poor (select) indicators five years after the asset transfer



Recap of Main Results

These results...

1. Provide evidence that TUP programs **can sustain impacts in an FCV context, even during concurrent crises**
2. Are **consistent** with TUP results in **more stable settings** (e.g., Bangladesh and India) showing that:
 1. TUP allows ultra-poor households to **diversify**
 2. Large big-push interventions can be **cost-effective** (AFG TUP breaks even year 5) only considering impacts on non-durable consumption
3. **Provide evidence of impacts reducing gaps across multiple dimensions:** gender and socio-economic gaps
4. Shed light on the **potential role of TUP-type programs** (cash+/economic inclusion) **for social protection** even in FCV contexts

Many questions remain, including:

1. What **is the role of the type of asset**, based on local conditions, to maximize the potential benefits?
2. How can **FCV-related implementation risks could be minimized**?
 - TUP programs in South Sudan and Yemen had more limited impacts due to implementation/conflict issues (Chowdhury et al. 2017; Brune et al. 2020)
 - But, in some settings TUP-type programs managed to maintain solid impacts: a multi-faceted intervention in Niger, a fragile setting plagued by frequent climate shocks, showed positive impacts that did not dissipate overtime (Bossuroy et al., 2022).
3. How can we integrate multiple efforts to build a strategy to reach all goals: **from humanitarian to development**?
 - Coordination of (i) development and humanitarian organizations, (ii) diverse ministries within governments
4. How can these programs be **scaled up through government systems**?
 - (ongoing work from PEI & DIME collaboration, among other teams)

Thank You!



AFG TUP Extended Team

The research team at different stages includes Guadalupe Bedoya, Yulia Belyakova, Aidan Coville, Thomas Escande, Johannes Haushofer, Mohammad Isaqzadeh, Aminata Ndiaye and Jeremy Shapiro. The TUP implementation team includes Aminata Ndiaye, Ahmed Rostom, Naila Ahmed, and Guillemette Jaffrin, who led the World Bank-funded Access to Finance project. The MISFA team, including Bahram Barzin and Khalil Baheer and supported by Matin Ezidyar, Shafkat Shahriyar Bin Reza and Hashmat Mohmand, delivered the program.

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- Finance, Competitiveness and Innovation Global Practice

