



# **UNHCR's Voluntary Repatriation Program: Evaluation of the Impact of the Cash Grant**

## ***Executive Summary***

Commissioned by the Office of the United Nations High Commissioner for Refugees (UNCHR) in Kabul  
This report is funded by the European Union



*The views reflected in this study do not necessarily reflect the views of the European Union*

March 2009

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### **Background to the Study**

Since 1990, the Cash Grant has been a permanent and important component of UNHCR's Voluntary Repatriation Program, for refugees returning to Afghanistan from Pakistan and Iran. Initially, the Cash Grants were used only as a transport grant, but since 2002 the returnees have been free to spend the money how they choose. To reduce fraudulent claims, new procedures were also introduced, including the requirement to complete a Voluntary Repatriation Form (VRF) and have irises scanned in the country of exile prior to return. Typically the Cash Grant is claimed by refugees once inside Afghanistan at Encashment Centers, or in the cases of longer journeys, cash can be claimed in installments en route.

The Cash Grant was revised upwards from \$60 to \$100 per person in 2007, and this study aims to understand:

- The impact the increased Cash Grant has had on reintegration of refugees since 2007, in the short and long-term
- Whether the increased Cash Grant is distributed in a cost-effective manner
- Whether the increased Cash Grant could have more impact through a different combination of inputs

Recommendations are also made regarding continued use of the Cash Grant.

Refugees who had received the Cash Grant, and who had voluntarily repatriated, were interviewed in Kabul, Nangarhar and Herat Provinces, in both rural and urban areas. These three provinces were chosen as they are home to the largest numbers of returnees from Iran and Pakistan. In total, 600 quantitative interviews were conducted in October 2008, mostly with heads of households. To support the research, an additional 100 interviews were conducted with Afghan refugee households in Iran and Pakistan. To support the quantitative research, 14 refugee profiles and 8 in-depth case studies were completed in the three provinces in Afghanistan and a number of key informants were also interviewed (heads of organizations, representatives of the GIRoA, etc).

### **Key Findings**

Borders of Entry. 95% of refugees who had returned to Kabul returned from Pakistan via Torkham Crossing. In Herat, nearly 90% of refugees had returned from Iran via Islam Qala Crossing, with the balance mainly from Spin Boldak Crossing in Kandahar. All the refugees who had returned to Nangarhar had come from Pakistan via Torkham Crossing.

Meeting Short-term Needs. Refugees were asked to identify and rank three of their most important needs upon return to Afghanistan. In addition, they were asked to identify the extent to which the Cash Grant covered the costs of their immediate and short-term needs.

Money was overwhelmingly the most important need for families upon their return with over 80% of families ranking money in their top three needs. In the majority of cases, refugees felt that the grant successfully met their immediate cash requirements. After money, returnees identified short-term assistance (water, food, shelter and transportation) as the second most important need and a third of families felt that the Cash Grant was completely adequate to cover the costs of this short-term expenditure. Finally, employment was the third most important need, however only 10% of the families felt that the Cash Grant was useful to support this need.

In conclusion, these findings tell us that the Cash Grant is successfully meeting the short-term needs expressed by returnees, especially immediate cash requirements and short-term water, food, shelter and transportation needs.

Effective Response Mechanism. Respondents were positive that cash was the most effective response mechanism to meet their immediate and short-term needs. This is not surprising, given the cash-based nature of the immediate requirements to buy food and building materials. However, respondents did not feel that the Cash Grant was particularly effective for longer term needs such as employment and housing rental. This finding confirms that the Cash Grant is working as UNHCR intends, which is primarily to encourage return by addressing immediate and short-term needs of families rather than long-term needs.

Sustainable Reintegration. Further proof of the short-term nature of the Cash Grant was obtained by asking returnees what they spent the money on and how long it lasted. 94% spent the money primarily on food and transportation, and around a third of families used the money to rehabilitate their houses. In a small number of cases the Cash Grant was used to pay off debts and invest in businesses.

Typically, the Cash Grant was spent quickly: over half the families had spent their grant within the first month, and 88% of families spent the money within three months.

In conclusion, these findings show that the Cash Grant does not contribute directly to a sustainable reintegration as the money is spent very quickly, and it does not contribute to sustainability, which is provided by employment and development of social networks. However, as stated previously, the Cash Grant is in line with its design objective, which is to provide for immediate and short-term needs.

Dependence on the Cash Grant. Respondents were asked whether they could have managed to repatriate without the Cash Grant. The results were interesting and showed that returnees needed a strong support network in Afghanistan if they were to return without the Cash Grant. The returnees were evenly split as to whether they could return with or without the cash. Returnees from Iran were rather less dependent on the grant than returnees from Pakistan, supporting the widely held belief that refugees living in Pakistan are more vulnerable than the

refugees living in Iran. Of those who stated they could have returned without the Cash Grant, it was striking to see that nearly half had either social or physical assets (e.g., family, houses or land) in Afghanistan whereas very few of those who said they could not have returned without the Cash Grant had social or physical assets in Afghanistan. This shows that nearly half the returnees relied heavily on the Cash Grant to return.

In conclusion, the Cash Grant is effective in ensuring that the option to return is made available to all refugees, not just those refugees who have social and physical assets already in Afghanistan.

Limitations of the Cash Grant. Many returnees knew of other households who had stayed in exile despite the availability of the Cash Grant. It is worthwhile understanding the reasons why families remain in their country of exile.

Supporting the previous finding, over 80% of the families who did not return were prevented to do so because of lack of social and physical assets in Afghanistan. Half the respondents said that they had better opportunities in their country of exile. Security was cited as a major deterrent to return, as was the value of the Cash Grant. In these cases, families suggested a grant between \$300 and \$400 would be more effective at enticing them to return.

In conclusion, the lack of family, housing and land in Afghanistan is the main barrier to return, and it is not surprising that in these cases that the Cash Grant, which is designed to meet immediate and short-term needs, does not give people the support required to encourage them to leave their lives in their exile countries. Families in this position would require another package of assistance that could meet longer-term housing, land provision and social integration needs.

Expectations of Further Assistance. Nearly 85% of the respondents reported that they received no other assistance on return apart from the UNHCR Cash Grant. This corresponds well with an extremely low expectation among Afghan families still in Iran or Pakistan that they would receive additional assistance upon return. Most said that they expected the assistance to come from family and friend networks, but that longer-term assistance in terms of food, shelter, medical care, micro-finance, seeds and access to drinking water by the government or NGOs would be very welcome.

Efficiency of the Cash Grant Program. Three approaches were used to understand whether the Cash Grant represents the most efficient way for donors to transfer funds to the refugees. Firstly, the purchasing power of the Cash Grant was analyzed considering the impact of high rates of inflation in Afghanistan and the changes in exchange rate. Between 2005 and 2009, the purchasing power of the dollar in Afghanistan has decreased by around one third. Thus the increase in the Cash Grant from \$60 to \$100 per person in 2007 was a sound policy option as it responded to the depreciation in purchasing power. However, given the high rates of inflation UNHCR are advised to make a bi-annual adjustment to the size of the grant to maintain purchasing power for returnees' immediate and short-term needs.

Secondly, cash is still believed to be the most effective response mechanism. The Cash Grant is more efficient than subsidies as it allows heads of households to make their own spending decisions, thereby empowering them in their reintegration process. As explained above, the use of cash is further confirmed as the best response mechanism when we consider the cash-based nature of immediate and short-term needs.

Thirdly, the procedures put in place (the VRF and iris scanning) are working well against system fraud when compared with the early years of the Cash Grant program. Nearly 85% of respondents claimed not to know how to cheat the system, and those who did said the main fraud was 'borrowing' extra people during registration to increase the Cash Grant. However, very few respondents knew of cases where returnees had managed to make multiple claims.

Finally, this research shows that the Cash Grant system is commendably cost-effective. Compared with typical implementing NGO overhead costs of 7-10%, UNHCR's implementation system using local partners with a light footprint of UNHCR staff in Encashment Centers gives an overhead cost of only 3% of the disbursed amounts.

In conclusion, the current Cash Grant program is working efficiently as a low-cost method dispersing large amounts of money, to a broad population of beneficiaries across a large geographical area. It is unlikely that other options, which could use the same funding to create a full-assistance return program (e.g., including transport, food and accommodation), would be either as efficient as the Cash Grant system, or encourage the same levels of return.

Handover to Afghan Government. The opportunity to channel the funding through the Afghan Government was investigated with UNHCR project managers. It appears there is little capacity within MoRR to handle such large amounts of money at the local level, and despite attempts at capacity building, leadership and staff turnover have hampered efforts to develop real Afghan Government capacity in this area. The question of trust was highlighted by many returnees. While the Afghan Government would be trusted by a third of returnees to administer the Cash Grants, the level of trust in an international organization to manage the grants is substantially higher. In contrast, there was very little trust expressed in the governments of Iran and Pakistan to administer any Cash Grants. Indeed, there is little desire that the governments of Iran and Pakistan begin disbursing Cash Grants in Iran or Pakistan, as this will remove the pull factor to return to Afghanistan. However, it should be noted that the government of Pakistan did contribute to the increase to \$100 of the Cash Grant.

*Overall, the Cash Grant program is making a very positive contribution to returnees. It successfully and efficiently meets their immediate and short-term needs while giving families empowerment over how to spend their grants. The Cash Grant is in many cases enabling refugees, who do not have existing social or physical assets in Afghanistan, to make the move to return home. However, there are refugee families in Iran and Pakistan who regard the \$100 on average, per person offered as insufficient to counter the high risk of returning, especially in situations where returning families do not have family, houses or land in Afghanistan.*

*It is clear that the Cash Grant does not make any significant contribution to sustainable reintegration, as it does not meet longer-term reintegration needs such as employment or housing. However, the Cash Grant was designed to meet immediate and short-term needs rather than longer term needs, and needs to be positioned at the front of a longer term integrated package of support for returnees.*

## **Recommendations**

- UNHCR should introduce a bi-annual adjustment of the Cash Grant to maintain purchasing power of the grant.
- UNHCR should consider the impact of raising the Cash Grant up to higher levels, which may prove to be enticing enough to encourage the remaining refugee families, often who do not have social or physical assets in Afghanistan, to return. In this situation further assessment is recommended.
- The Cash Grant should be included as an early component of an overall 'Reception, Placement and Reintegration Services Package', whereby returnees receive a standard assistance package upon their arrival. This package should aim not only to meet immediate and short-term needs but include support with transport, food, shelter and linking to employment. The longer-term aspects of the reintegration package could be met by a 'matching program' as a complement to the shorter-term Cash Grant.
- Social re-integration programs should be initiated. Programs should aim to rebuild the solidarity and local knowledge often missing in the lives of returnees. Opportunities such as giving an entry gift of a mobile phone and SIM could be an interesting way forward to keep track of the returnees and give them an opportunity to stay in touch with their network.
- Close attention must be given to refugee skills on arrival, and an identification of skills should be coupled with vocational training courses e.g. repair, construction, and electrical item maintenance.
- Fostering an entrepreneurial spirit should be an important component of the full reintegration package. Entrepreneurs should be linked to micro-finance that could be used to start small businesses, or buy seed.

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*Overall, the Cash Grant program is making a very positive contribution to returnees. It successfully and efficiently meets their immediate and short-term needs while giving families empowerment over how to spend their grants. The Cash Grant is in many cases enabling refugees, who do not have existing social or physical assets in Afghanistan, to make the move to return home. However, there are refugee families in Iran and Pakistan who regard the \$100 on average, per person offered as insufficient to counter the high risk of returning, especially in situations where returning families do not have family, houses or land in Afghanistan.*

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## **Recommendations**

- UNHCR should introduce a bi-annual adjustment of the Cash Grant to maintain purchasing power of the grant.
- UNHCR should consider the impact of raising the Cash Grant up to higher levels, which may prove to be enticing enough to encourage the remaining refugee families, often who do not have social or physical assets in Afghanistan, to return. In this situation further assessment is recommended.
- The Cash Grant should be included as an early component of an overall 'Reception, Placement and Reintegration Services Package', whereby returnees receive a standard assistance package upon their arrival. This package should aim not only to meet immediate and short-term needs but include support with transport, food, shelter and linking to employment. The longer-term aspects of the reintegration package could be met by a 'matching program' as a complement to the shorter-term Cash Grant.
- Social re-integration programs should be initiated. Programs should aim to rebuild the solidarity and local knowledge often missing in the lives of returnees. Opportunities such as giving an entry gift of a mobile phone and SIM could be an interesting way forward to keep track of the returnees and give them an opportunity to stay in touch with their network.
- Close attention must be given to refugee skills on arrival, and an identification of skills should be coupled with vocational training courses e.g. repair, construction, and electrical item maintenance.
- Fostering an entrepreneurial spirit should be an important component of the full reintegration package. Entrepreneurs should be linked to micro-finance that could be used to start small businesses, or buy seed.

## 1. Introduction

### 1.1 Objectives of the Evaluation

#### Background

In the last 25 years, Afghanistan has experienced a massive flow of emigration generated by the ex-Soviet Union invasion of Afghanistan in 1979, the civil war and the Taliban regime. From 1979 to 1992, over 6 million people left the country; since 2002, over 5 million returned, a majority of them with the assistance of the UNHCR, through the Voluntary Repatriation Program.

The inclusion of a cash payment as part of the voluntary repatriation assistance provided to Afghan refugees dates back to the initial return planning exercise in 1990. It has remained a permanent component of UNHCR's repatriation programme since that time. Its four key advantages are regarded as:

- (i) low overheads and cost effectiveness,
- (ii) direct transfer of donor funding to beneficiaries,
- (iii) enabling refugee decision-making over the use of resources, and
- (iv) registration and data collection

The cash grant was composed of a fixed amount per person for reintegration purposes plus a variable allocation for transport based on the distance to be travelled within Iran or Pakistan as well as within Afghanistan. The payments were made to returnees at Encashment Centers inside Afghanistan<sup>1</sup> against the production of voluntary repatriation documentation (called the Voluntary Repatriation Form or VRF). The overall aim of the cash grant was seen as providing families with immediately disposable income to enable initial reintegration costs to be met.

During the period 2002-2005 the level of voluntary repatriation to Afghanistan remained extremely high, followed by a decline in 2006 of return from both Iran and Pakistan. However, as shown in the table below, voluntary return figures picked up again in 2007. Three main factors affect the level of voluntary repatriation from year to year, namely: security conditions in Afghanistan, the rate of social and economic development and the duration of exile in Iran and Pakistan. Depending on the favorability of these factors, the decision making process to return is facilitated, although each region presents a different picture of voluntary repatriation with returns to the south always smaller than those of the central, eastern and western regions.

CUMULATIVE RETURNS TO AFGHANISTAN SINCE 2002								
Year	Pakistan		Iran		Other Countries		Total	
	Families	Individuals	Families	Individuals	Families	Individuals	Families	Individuals
2002	281,402	1,565,066	37,231	259,792	2,273	9,679	320,906	1,834,537
2003	58,942	332,183	22,240	142,280	205	1,176	81,387	475,639
2004	66,554	383,321	68,262	377,151	115	650	134,931	761,122
2005	79,234	449,391	11,532	63,559	65	1,140	90,831	514,090
2006	24,046	133,338	913	5,264	103	1,202	25,062	139,804
2007	56,335	357,635*	1,388	7,054	71	721	57,794	365,410
2008	45,062	274,200	601	3,401	63	572	45,726	278,173
<b>Total</b>	<b>611,575</b>	<b>3,495,134</b>	<b>142,167</b>	<b>858,501</b>	<b>2,895</b>	<b>15,140</b>	<b>756,637</b>	<b>4,368,775</b>

<sup>1</sup> Under an amendment to the Tripartite Agreement between the Governments of Afghanistan, Iran and the UNHCR in February 2007 the point of payment of the variable allocation for returnees from Iran was switched from Afghanistan to Iran.

\*Out of 357,635 returnees in 2007 a total of 206,125 were Non-PoR Holders and 151,510 were PoR-Holders.

Source: UNHCR

Political pressures in the neighboring countries to redress this trend have grown appreciably. The Government of Pakistan presented a three year plan (2007-2009) under which all Afghans would return through a voluntary repatriation exercise only, and the Government of Iran introduced further restrictive measures on registered Afghans. In 2007, the government of Pakistan contributed financially to raise the cash grant level to US\$ 100 per person, with the hope that it would tilt the balance towards increasing returns. In 2002, the cash grant amount had been decided as a "guess work" on what would be the sufficient incentive to get people to visit centers and register their movement. The goal at the time was to get the data on the number of people coming back. UNHCR was committed to revising the amount, so in 2007, the decision was made to increase the cash grant up to US\$ 100, in line with inflation figures.

## **Project**

UNHCR commissioned Altai Consulting to evaluate the way the allocation of the Cash Grant is impacting the motivation and assisting the reintegration process.

The objectives of the evaluation of the Cash Grant are:

1. To analyze the contribution that the cash grant made to the reintegration of its recipients since 2007, and
2. To assess whether it remains a cost effective instrument to support the return and reintegration operation or would it be better utilized for a combination of inputs, both in the country of origin and the country of asylum, to secure a more predictable stay for Afghans.

The ultimate aim of the evaluation is to provide UNHCR, the concerned governments, and the donors with an objective view of i) the impact, ii) efficiency, iii) effectiveness, iv) relevance of the cash grant and to make recommendations about its continued use in future.

## **1.2 Research Methodology**

### ***1.3.1 Identification of the Survey Population***

The target population for this study covers Afghan returnee families who qualified for and received the increased Cash Grant. As the increase to the Cash Grant took place in early 2007, **the households targeted were those that voluntarily repatriated to Afghanistan starting in 2007.**

The UNHCR Kabul Office provided lists of urban and rural locations with target returnee households in Kabul, Herat, and Nangarhar Provinces. This information was provided by the Kabul office based on the information in the VRFs. The research team used these lists as a basis for the sampling methodology detailed below. Although the research team initially did not take the VRF information (as it was not discussed in preparation meetings prior to the field work), **a monitoring of 10% of the sample interviewed** was undertaken at the end of the field work to verify the date of return of interviewees, by cross checking the year of return stated during the interview and the year of return recorded in the VRF.

The monitoring exercise confirmed that the information provided during the interview did correspond with the initially reported dates of return.

Within the survey population, the research team targeted heads of households (HoHs) of returnee families: as such, **81.2% of interviews were conducted with HoHs**. In the remaining 18.8% of cases interview, when the HoH was absent at the time our research team visited the household, the interview was conducted with other family members, in order of the son or the spouse of the HoH (in a few cases, interviews were conducted with another relative of the head of household).

Heads of household were chosen as the target population because of the assumption that they were the people responsible for registering themselves and their family members at encashment centers and receiving the cash grant allowance. Interviewing heads of households therefore permitted to rely on the most informed source within the family and allowed the research team to ensure a level of consistency in the field work. It is worth noting that **9.1% were female interviewees. In total, 3.1% were female HoHs, and 6.0% were female family members interviewed (non-HOH interviewee)**. Although the gender factor was not integrated in the sampling methodology, as the female sub-sample was too small to do analysis on it, the data collected shows that a minority of returnee households are female headed households.

### ***1.3.2 Sampling Methodology***

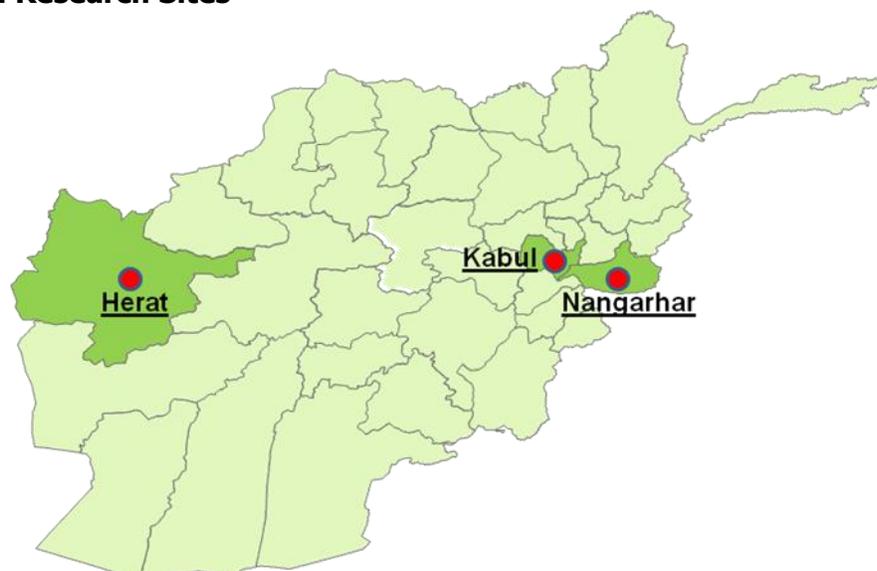
Research was conducted in the three provinces of **Herat, Kabul and Nangarhar**. These provinces were chosen as they are home to the highest numbers of returnees from Iran and Pakistan. According to the latest UNHCR figures on assisted voluntary repatriation<sup>2</sup>, the first 2 provinces of destination are Kabul, with 1,155,122 returnees recorded and, Nangarhar with 856,834 returnees assisted by UNHCR. Herat was the third province chosen to capture the flow of returnees from Iran, Herat being one of the top provinces of origin of the refugee population in Iran.

In the three provinces, both rural and urban areas were covered by field research. Within each province, an urban/rural split was demarcated by the research team, with locations chosen from the list provided by the UNHCR Kabul office. The final districts and villages were chosen based on the highest numbers of returnees, to facilitate the field work and increase chances of success in finding returnee families from 2007 and beyond. Within this purposive selection of districts and families, returnee households were targeted randomly.

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<sup>2</sup> Map of Assisted Voluntary Repatriation to Afghanistan, Return by Province of Destination 2002-2008, <http://www.unhcr.org/publ/PUBL/4918660b2.pdf>

## Location and Research Sites



### In Afghanistan:

Within Afghanistan, the majority of fieldwork under the Cash Grant Impact Evaluation entailed a target of 600 quantitative interviews conducted in the urban and rural areas in the three provinces of Kabul, Herat, and Nangarhar.

A purposive sample of 100 returnee households, having returned since 2007, was interviewed in each area. In each sub-strata (village or urban area), returnee households were randomly selected as further described below. The number of interviews and geographic coverage was limited due to time and security constraints and the data was not statistically weighted due to the lack of knowledge of how many people actually live in the destination which they recorded with UNHCR. It is therefore important to keep in mind that the data is therefore not representative of the overall population of returnees but of the sample interviewed in the selected areas.

Provinces	Kabul		Herat		Nangarhar	
Areas	Urban	Rural	Urban	Rural	Urban	Rural
Households	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

A set of case studies and household profiles were also completed with returnee families within Afghanistan.

### In Iran and Pakistan:

In order to provide an increased understanding of patterns and decision making processes regarding voluntary repatriation on both sides of the border, as well as to result in a better comprehension of the reasons among those who choose not to voluntarily return, supplemental fieldwork was also conducted in with refugees in Iran and in Pakistan.

Using a modified version of the questionnaire for returnee households within Afghanistan, a target of 50 interviews were conducted with Afghan refugee households in both countries. In Iran, fieldwork was conducted remotely via telephone interviews, using a snowball effect (i.e. referrals from one interviewed Afghan refugee household to another). In Pakistan, the fieldwork was conducted in person, with Afghan refugee households having been interviewed in the greater Peshawar area.

Distribution of qualitative and quantitative interviews

	<b>Quantitative interviews</b>	<b>Profiles</b>	<b>Case studies</b>	<b>Key Informant Interviews</b>
Kabul	205	6	2	2
Herat	200	4	3	-
Nangarhar	200	4	3	2
Iran	51	-	-	-
Pakistan	50	-	-	2
<b>Total</b>	<b>706</b>	<b>15</b>	<b>8</b>	<b>6</b>

Identification of Returnee Households:

The lists provided by UNHCR’s Kabul Office with urban and rural locations for Afghan returnee households that repatriated since 2007 were used to identify neighborhoods, villages, and camps in Kabul, Herat, and Nangarhar Provinces. Once at a particular location, the survey teams met with the village or neighborhood leaders, explaining the project, and then proceeding with randomly selecting eligible households (i.e. families that received the Cash Grant and repatriated to Afghanistan since 2007). Callbacks were limited to the same day at each location, due to time and security constraints. An overview, by province, of urban neighborhoods and rural villages or camps is listed in **Annex A.1**.

**1.3.4 Quantitative Fieldwork**

Survey Instruments

The main survey instrument used was a structured, close-ended questionnaire (87 questions) lasting between 45 minutes for heads of returnee households, or those who could speak on their behalf. The questionnaires were organized taking into account the chronology of exile and repatriation of each respondent. Questions were developed to obtain facts and perceptions on the respondent’s:

1. Socio-demographic profile,
2. Household background before exile,
3. Household situation during exile in Iran/Pakistan,
4. Voluntary repatriation experience,
5. Assessment of needs upon return to Afghanistan,
6. Usage and attitudes about the Cash Grant,
7. Assessment of present and future life situation in Afghanistan.

A modified version of the main questionnaire (66 questions) lasting about 30 to 45 minutes was used for heads of Afghan refugee households still in Iran and Pakistan.

### *Duration of survey*

The interviews within Afghanistan were conducted over the course of 2 weeks of fieldwork in mid October 2008. Three teams of four interviewers each (a total of 12 interviewers) administered a combined 605 questionnaires in the locations detailed above covering Kabul, Herat, and Nangarhar Provinces.

In addition, 2 team members conducted phone-based interviews with Afghan refugee families in Iran, administering a total of 51 supplemental questionnaires during the last week of October 2008.

The interviews in Pakistan were conducted during the course of 1 week, during the third week of November 2008. Two interviewers administered 50 questionnaires in the greater Peshawar area.

### ***1.3.4 Qualitative fieldwork***

Qualitative field work was completed to support the data collected in the quantitative survey, giving an in-depth look at specific situations and experiences of Afghan returnee families. This qualitative data was collected through case studies and profiles.

Both consist of in-depth/unstructured/semi-open interviews lasting 1.5-2 hours with the heads of household of Afghan returnee families.

The main difference between case studies and profiles is that case studies, led by an international researcher, include a deeper analytical approach, while profiles are led by national researchers alone, and give a good picture of the returnee household's past and current situation, with a shorter analysis.

#### **Collection of profiles**

The national team leader in each of the three survey locations was assigned with compiling a set of profiles of Afghan returnee households. The breakdown by province is as follows:

- i. Kabul: 6 profiles
- ii. Herat: 4 profiles
- iii. Nangarhar: 4 profiles

Throughout the report, a selection of quotes from the profile interviews are highlighted as testimonials to the quantitative data presented.

#### **Case studies**

A total of 8 case studies were completed by the national consultant under the direct guidance of the international consultant in charge of the project; 2 in Kabul, 3 in Herat, and 3 in Nangarhar.

Summaries of the case studies are available as **Annex B** at the end of the report.

## **2. Program genesis & design**

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### **2.1 Program genesis**

The Cash Grant Program is inherited from a UNHCR / WFP Repatriation Project that was designed in Pakistan in 1988 – 1990. At that time over 3 Million refugees were present in Pakistan, and the UNHCR together with political partners started looking at an efficient solution to support return, that would also facilitate deregistration. The initial steps are described in a 1994 report by EPAU<sup>3</sup> as follows:

In late July 1990, the Repatriation Pilot Project was launched, initially on a three-month trial basis. (...) Refugees presenting revalidated passbooks would receive a cash grant and a supply of wheat in exchange for their sticker. The grant level had finally been fixed at 3,300 rupees (approximately US\$ 100) to cover average travel costs (per family), plus 300 kilogram's of wheat, enough to feed an average family for the first few months following return.

In view of the unreliability of available information on family size, it was agreed that the repatriation grant would be given at a fixed level to all passbook holders. Finally, it was decided to give cash in rupees since much of the expenditure was expected to take place in Pakistan before departure. This would allow refugees to arrange their own transport and determine their own way – and time – of going home. For refugees with long distances to travel, a subsidized transportation programme was established.

**The genesis of the current generation of Cash Grant is briefly described in the minutes of a September 2008 workshop as follows:**

The current repatriation operation to Afghanistan began in early 2002. Cash payments were initially used as a transport grant only, and varied according to the distance to be travelled and estimated transport costs.

Owing to experience with cash grants in the early 1990's, when many ration books were encashed but repatriation did not necessarily take place, in 2002 it was decided to distribute the cash at encashment centers inside Afghanistan, and for long journeys, in stages at different centres. Cash was distributed through agreements with money traders.

The initial level of grants, although limited, was based on available funding; there was no time ahead of the huge repatriation in 2002, to study the real or an estimate cost of living or base it on a price index, since Afghan economic data was not available. It was not possible at that time to plan on future funding, and know what donors would support, with only 3 months to put the program in place.

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<sup>3</sup> Repatriation Under Conflict: A Review of the Encashment Programme for Afghan Refugees in Pakistan - EPAU Evaluation Reports, 1 February 1994

Verification procedures were established, and strengthened in 2003 with the introduction of iris scanning at voluntary repatriation centres. (...) These measures have been important in securing the support and confidence of donors. Overall, the programme has received a high level of donor support.

In 2004, it was decided to substitute the distribution of food assistance and NFIs through an additional cash component for support to reintegration, thus enabling a more streamlined operational and logistics programme inside Afghanistan. The cash grant was nonetheless complemented by food distribution for areas deemed to be food insecure, and additional assistance is provided to those with special needs. The Office also regularly reviews the level of the grant to reflect fluctuating transport costs.

The Afghanistan operation has faced particular challenges since 2006. There has been a significant downturn in the number of returns owing to the deterioration in security in much of the southern half of Afghanistan, limited economic and social progress, and the fact that the majority of the remaining Afghan population have now been in exile for more than two decades. Pressure in neighboring countries to redress this trend has increased. In response, and with strong encouragement of the Government of Pakistan UNHCR took the **decision in early 2007 to increase the cash grant to an average of around US\$100 per person**.

## **2.2 Voluntary Repatriation Process**

Afghan refugee households in Iran and Pakistan that are registered with the authorities as refugees may qualify for reception of the increased Cash Grant under the Voluntary Repatriation Program (VRP) of UNHCR. Refugee households interested in voluntary repatriation report to one of the Voluntary Repatriation Centers (VRCs) in the country of exile.

The relevant household information, including family member names, is recorded in a Voluntary Repatriation Form (VRF). Iris scans are taken of all family members (aged 5 and above) listed in the VRF. The main purpose of iris validation is to minimize "recyclers", i.e. recurrent or fraudulent claims. After processing at the iris validation center, the household can repatriate when ready to the intended destination in Afghanistan, stopping at the relevant Encashment Center to receive the Cash Grant.

Depending on the intended destination for resettlement, returnee households report to one of the five Encashment Centers nationwide (the exception being households returning from Iran, as the Cash Grant payments are made within Iran, before crossing the border into Afghanistan).

### **Border of Entry**

Overall the most used border for the entire sample was the Torkham Border in Nangarhar Province, with 65.6% of all returnee households combined having re-entered Afghanistan at Torkham. The second most used border was Islam Qala in Herat Province, with 30.5% of all returnee households combined having re-entered Afghanistan there. Only 3.8% of the entire sample re-entered Afghanistan via the Spin Boldak Border in Kandahar Province.

While the number of returnees entering Spin Boldak is generally relatively low compared with Torkham and Islam Qala, the present figures also result from the sampling methodology used as

only returnees from Nangarhar, Kabul and Herat were interviewed, not taking into account returnees in the Southern region. In 2007, 2008, the percentage of actual number of returnee families using Islam Qala to cross the border is small than the survey findings due to the lower numbers of voluntary assisted returns from Iran.

The following table gives a further breakdown as to which border was crossed at repatriation, compared to the province of resettlement:

Which border did you enter Afghanistan through?	Resettled in:	Kabul	Herat	Nangarhar
Islam Qala, Herat		5.4%	86.5%	-
Milak, Nimroz		-	0.5%	-
Torkham, Nangarhar		94.6%	1.5%	100.0%
Spin Boldak, Kandahar		-	11.5%	-
		N=204	N=200	N=200

Among the returnee households that resettled in Kabul Province, the overwhelming majority (94.6%) re-entered Afghanistan at repatriation by crossing the Torkham Border in Nangarhar Province; the remaining 5.4% re-entered Afghanistan at the Islam Qala Border in Herat Province. For the households that resettled in Herat Province, the vast majority (86.5%) crossed the Islam Qala Border in Herat Province, followed by 11.5% that crossed the Spin Boldak Border in Kandahar Province, with only 1.5% having crossed the Torkham Border in Nangarhar Province (and a negligible 0.5% having crossed at the Milak Border in Nimroz Province).

All (i.e. 100%) of the 200 households surveyed that resettled in Nangarhar Province crossed the Torkham Border in Nangarhar Province.

### **Number of Family Members Indicated in Voluntary Repatriation Form (VRF)**

Out of the 605 households in our sample, the median number of family members of the returnee households surveyed was 6 people, according to the numbers interviewees stated from their voluntary repatriation forms (VRFs). The chart below shows the percentage of households for each amount of family members reported to have been indicated in the VRF.

### **Cash Grant Amount Received**

As mentioned earlier, on average the amount of the Cash Grant received per family member indicated in the voluntary repatriation form (VRF) is \$100. The actual amount received per family member can be more or less. Due to variable transportation costs, the actual amount of the Cash Grant depends on the place of origin and place of destination, although the reintegration cost per member is fixed at \$83 per person.

In conjunction with the median number of 6 family members reported to have been indicated in the VRFs of the returnee households surveyed, the median Cash Grant amount received per family was \$545.

### 3. Relevance & effectiveness of the cash grant

#### 3.1 Does the cash grant respond to reintegration needs expressed by beneficiaries? How successful was the cash grant in meeting the essential reintegration needs of returning families?

The returnee households surveyed were asked to identify and rank up to three of their most important immediate needs upon return to Afghanistan. In addition, they were asked to identify the extent to which the Cash Grant funds had been able to cover the costs of each of these needs. The following table provides a complete breakdown of the results.

What were your immediate needs upon your return to Afghanistan?				
<i>A. Most Important Need:</i>		<i>Extent to which Cash Grant covered costs:</i>		
		<i>Completely</i>	<i>Partially</i>	<i>Not at all</i>
<b>Money</b>	<b>66.2%</b>	44.6%	54.6%	0.8%
Short term assistance: Water, Food, Shelter, Transportation	15.2%	70.7%	29.3%	0.0%
Provision of longer term housing	13.7%	78.3%	14.5%	7.2%
Job Placement	3.6%	38.1%	14.3%	47.6%
None	0.8%	-	-	-
Education opportunities for children	0.2%	0.0%	100.0%	0.0%
Other	0.2%	100.0%	0.0%	0.0%
N=604				
<i>B. Second Most Important Need:</i>		<i>Extent to which Cash Grant covered costs:</i>		
		<i>Completely</i>	<i>Partially</i>	<i>Not at all</i>
<b>Short term assistance</b>				
<b>Water, Food, Shelter, Transportation</b>	<b>47.0%</b>	35.0%	62.9%	2.1%
<b>Provision of longer term housing</b>	<b>25.7%</b>	36.6%	56.9%	6.5%
Job Placement	9.2%	45.5%	34.5%	20.0%
Money	7.2%	41.9%	55.8%	2.3%
None	6.4%	-	-	-
Education opportunities for children	2.5%	20.0%	80.0%	0.0%
Advice/Counseling	1.2%	14.3%	85.7%	0.0%
Training courses to acquire professional skills	0.7%	0.0%	75.0%	25.0%
Other	0.2%	0.0%	100.0%	0.0%
N=604				
<i>C. Third Most Important Need:</i>		<i>Extent to which Cash Grant covered costs:</i>		
		<i>Completely</i>	<i>Partially</i>	<i>Not at all</i>
None	36.9%	-	-	-
<b>Job Placement</b>	<b>26.8%</b>	9.3%	35.2%	55.6%
Provision of longer term housing	9.9%	21.7%	60.0%	18.3%
Education opportunities for children	9.8%	13.6%	84.7%	1.7%
Money	7.9%	25.5%	70.2%	4.3%
Short term assistance: Water, Food, Shelter, Transportation	3.6%	22.7%	68.2%	9.1%
Advice/Counseling	3.0%	0.0%	100.0%	0.0%
Training courses to acquire professional skills	1.7%	0.0%	100.0%	0.0%
Other	0.3%	0.0%	50.0%	50.0%
N=604				

**Money is overwhelmingly the most important need identified upon return by the majority of the surveyed households** (the top need for 66.2% of households, and in the top 3 needs for 81% of households). The household survey, together with qualitative research indicated that **the cash grant have covered this need** for a vast majority of returning families, partially for 54.6% of them, and completely for 44.6%.

Interestingly enough, for the returnees whose most important need was short-term assistance or provision of longer term housing, the cash grant has also been successful in covering these needs almost completely.

**The main second most important need identified upon return is short term assistance (water, food, shelter, transportation)** among 46.5% of surveyed households, although a significant amount of households (25.3%) ranked provision of longer term housing as the second most important need, i.e. where at least some of the Cash Grant funds are used to set up or refurbish a house or pay initial rent.

Among respondents that identified a third most important need upon return, **the third most important need indicated was job placement** (26.8%).

**Conclusion:** Overall, these findings tell us that the cash grant is **directly responding to the key integration needs expressed** by returnees, **and meeting them successfully**, not only when it comes to the financial needs which are directly addressed, but also when it comes to short term assistance and housing.

### 3.2 Was the cash grant regarded as the appropriate method to respond these requirements?

*"The cash grants given by UNHCR for returnees are effective. In my opinion, the help in the form of cash is best, so every family can spend it according to their needs." –Abdul Satar, Tajik Male, 45, Formerly Exiled in Pakistan, Returnee in Kabul Province*

Based on survey answers and case studies, respondents judge positively the capacity of the Cash Grant to fulfill their top 3 most immediate needs. Given the cash based nature of this assistance, it is not surprising that the money is seen as fulfilling best the need for money, short term assistance (water, food, transportation and shelter), and to some extent long term shelter and housing rental. However, when respondents indicate having more substantial needs such as education for their children or employment opportunities and job placement programs, the assistance received does not meet their needs.

As this was specified by UNHCR management team, **the Cash Grant was deliberately created and increased in 2007 to encourage return in covering short term needs of families**, and not to address other long term / structural issues that should be taken in account by other development partners.

A few limitations or weaknesses of the cash grant as a method were however highlighted during cases studies, by some respondent:

- **Inflation** was seen as an obstacle that can undermine the cash grant, since its amount has been fixed while prices fluctuate: *"This money which UNHCR distributes for Afghan migration is very little; we cannot solve our urgent needs with it. Prices of goods are increasing day by day. Instead of this kind of help, if houses are built for us in that area which the Afghan government distributes land for Afghan refugees, it would help us."* – Fazel Hadi, Pashtun Male, 30, Formerly Exiled in Pakistan, Returnee in Kabul Province
- The **risk of spending the money in a too short time**, with a limited sense of responsibility on the amount given, was also raised by a case study respondent.

*"It would be better to grant foodstuffs and other necessary things instead of money to returnees because money could be spent in some few days. The other assistance received from UNHCR is very helpful, because the construction materials (door, windows, sticks, and boards) helped the returnees to build houses."*  
 –Haji Rustam, Pashtun Male, 53, Former Refugee in Iran, Returnee in Herat Province

### 3.3 Did the use of the cash grant reflect an emphasis on consumption rather than investment ? What evidence is there that the cash grant contributed to the sustainability of reintegration?

To understand the impact of the cash grant, we tried to understand what people had purchased with the money received, and how long the amount of money received had lasted.

The majority of the returnee households surveyed, 53.8%, reported that the Cash Grant funds lasted them between 1 and 30 days (up to one month), followed by 22.9% that reported 31 to 60 days (more than one month and up to two months), and in third place 11.2% that stated 61 to 90 days (more than two months and up to three months). This is in correlation with the UNHCR Sub Office in Jalalabad’s findings that the majority of returnees use the cash grant to address immediate household needs.

**Combined a total of 88.0% of the sampled returnee households used up the Cash Grant funds within three months.** For the remaining 12.0% of returnee households, the funds reportedly lasted from more than three months up to an entire year.

Number of Days Cash Grant Lasted	Number of Households	As Percentage
<b>1 to 30</b>	<b>322</b>	<b>53.8%</b>
31 to 60	137	22.9%
61 to 90	67	11.2%
90 to 120	28	4.7%
121 to 150	20	3.3%
151 to 180	13	2.2%
181 to 210	2	0.3%
211 to 240	5	0.8%
241 to 270	0	0.0%
271 to 300	2	0.3%
301 to 330	1	0.2%
331 to 365	1	0.2%
<b>Total</b>	<b>598</b>	<b>100.0%</b>

For a majority, it only covered immediate food needs & transportation, in month 1.

With money being spent mainly on immediate food needs (94% of surveyed families) and transportation (93%), the Cash Grant emphasized short term consumption for most families. For a smaller number it was also used to rehabilitate a shelter or house (28.8%) and repay debts (9.6%).

What did your household spend the Cash Grant on? (Multiple Answers)	
Food needs	94.0%
Transportation	92.9%
Shelter (re)construction/rental	28.8%
Debt Repayment	9.6%
Education opportunities for children	3.1%
(Re)establish business/income generating activity	1.0%
Other (e.g. medicine)	1.0%
Restore crop production	0.7%
N=605	

**Qualitative research however shows that for a number of families, the cash grant helped to mark a step towards sustainability, in covering the transportation costs and house rehabilitation costs on arrival, while the family members could focus on finding a job:**

*We went to the Karkhano area where the UNHCR office is located. They scanned our eyes and prepared our documents (VRF). Then we came to Afghanistan to the Pul-e Charkhi UNHCR office. After the checking of our documents, they gave us \$500. We had spent 15,000 rupees on transportation costs from Peshawar to Kabul, and the remaining money we used on repairing our house.*

*After 2 months, my elder sister found a job at the MRRD [Ministry Rural Rehabilitation and Development]; her monthly salary is 8000 AFA.*

*-Arian Khan, Tajik, Female head of household, Aged 20, Formerly exiled in Pakistan, Returnee in Kabul.*

*"We returned back to the homeland in May 2007 and for each member of the family we received \$93 in Mohmand Dara (encashment center). My father paid our transport and family expenses with this money; we came directly to our area (Chaparhar District) then we spent the rest of the money on the reconstruction of our house."*

*-Jafar, Pashtun Male, 27, Formerly Exiled in Pakistan, Returnee in Nangarhar Province.*

**Conclusion:** While the Cash Grant does not *per se* contribute to the **sustainability** of the reintegration, which depends on access to jobs and supporting networks, the cash grant does contribute to the return to proper conditions and provides a bridge to a normal life, with a place to live.

This is in **line with the initial objective of the Cash Grants**, which were designed to cover the immediate and short-term needs of refugees.

Other specific programs do exist which are designed to support other needs such as Non Food Items, food, shelter, education, etc. Interviews with the returning families show that complementary programs do exist and many returnees have benefited from some of these programs.

Among the returnee households that did receive other forms of assistance, the additional support received consisted of:

Excluding Cash Grant, which type of other assistance did your household receive? (Multiple Answers)	
Other (construction materials, tools, basic household items)	54.7%
Food	51.6%
Shelter	29.5%
Financial support (cash, loan, micro-credit)	27.4%
Training courses	24.2%
Education opportunities for children	21.1%
Medical assistance/health program	21.1%
Transportation	11.6%
Advice/counseling	9.5%
N=95	

As a conclusion, the analysis shows that the cash grant was used by a majority to successfully cover immediate needs, more than to create a real sustainability for the household. However in a number of cases the cash grant did support some more sustainable investment. In general, households can count on other programs to support them on the way to sustainability.

### 3.4 Was the cash grant effective in meeting other needs that would otherwise have presented a problem on their arrival in Afghanistan?

In several tables presented above, it was specified by respondents that the cash grant was not only helping them to compensate financial needs, but also that it was partially **covering some other priority needs such as short term assistance, and housing.**

A small number of refugees also indicated that the cash grant had given the opportunity to repay debts, and improve their crop production. An interesting dimension where the potential of the cash grant was revealed, was the access to business ownership, where a part of the Cash Grant was used to kick start the activity. Although this remains a limited sub-group (3% of interviewed refugee), it should be pointed out as an indirect effect of the cash grant on entrepreneurship.

#### ***Business Ownership***

While only 3% of households surveyed were able to start a business since their return to Afghanistan, all of these businesses are still active today. These businesses are mostly wholesale/retail shops or workshops (e.g. carpenter, metal smith, etc.).

More importantly, **over 75% of the returnee household businesses were started with at least some of the Cash Grant funds** (ranging from as little as \$20 to as much as \$1,400). In addition, a little over half of these business owners also borrowed money from friends/family to start the businesses.

### ***Entrepreneurial potential***

Interestingly, the level of entrepreneurship observed in this sample of returnees who returned between 2007 and 2008 is far lower than the one observed among returnees who had returned before 2005, and among whom 45% of the working members of households were either employers, either self employed, or running their own businesses (Altai 2005).

This is especially interesting because the levels of desire to start a business among those that are still in exile are much higher, as will be noted in Chapter 6. Several levels of explanation could be suggested for this phenomenon, although it would require a deeper socio-economical analysis to be validated:

- *Education & wealth:*  
The most educated, wealthy, and with active social and economic networks in Afghanistan among the returnees were likely to come back in the initial waves of return, being better informed and more “daring” to take their chance in their country of origin in the initial phase of reconstruction.
- *Personal characteristics:*  
It is also likely that most entrepreneurs among the returnees came back in the earlier waves of return (2002 to 2005), with the will to develop new activities and create opportunities for themselves, while the last waves of returnees who waited for years before coming back might have a lower profile (more a profile of “followers” than “entrepreneurs / innovators”)
- *Context:*  
Opportunities to create new businesses were certainly higher in the initial years of development, since the country was missing mostly everything, including many small shops and services. 7 years later, it has become more difficult to identify niches and create new businesses.

### **3.5 Could the refugees have repatriated without the cash grant or with a reduced amount?**

The returnee households surveyed were evenly split, when asked if their household could have returned even if there were no Cash Grant given. What this suggests is that **at least for half of returnee households the Cash Grant is a crucial element without which return to Afghanistan would not be possible.**

Could your household have returned even if there were no Cash Grant given?	
Yes	50.0%
No	50.0%
N=602	

**It is interesting to note that a comparison between different populations of returnees provides more varied results. Returnees from Iran seem to be less dependent on the Cash Grant as 96.2% state that they could have returned even without this assistance, as opposed to 29.7% of returnees from Pakistan.**

This is relatively in line with many studies showing a higher level of vulnerability among refugees coming back from Pakistan, often with lower purchasing capacity and lower skill ranges / salary scales.

Within the population of returnees depending most highly on the Cash Grant are Afghans from Pakistan returnees who have settled in Nangarhar, followed by Kabul and finally Herat. 85% of Nangarhar returnees and 60% of Kabul returnees show a high level of dependency on the Cash Grant, as opposed to their Herati counterparts of which only 4.5% claim they would not have returned without the Cash Grant assistance offer.

Could your household have returned even if there were no Cash Grant given? By Country of Exile		
	Yes	No
Iran returnees	96.2%	3.8%
Pakistan returnees	29.7%	70.3%
N=602		

Could your household have returned even if there were no Cash Grant given? By Province of return		
	Yes	No
Kabul	39.2%	60.8%
Herat	95.5%	4.5%
Nangarhar	15.6%	84.4%
N=602		

### Main Factors that Facilitated Return

In order to better understand the even split between returnee households that reported they could have returned without the Cash Grant, compared to those households for whom the Cash Grant was essential, the main factors that facilitated each groups' return are taken into consideration.

	Household could have returned without Cash Grant:	Yes	No
	Main factor that facilitated return:	Owning land	8.0%
Local support network (community, family, friends)		<b>36.1%</b>	6.3%
Skills		2.7%	3.0%
Cash Grant of UNHCR		<b>36.1%</b>	<b>86.4%</b>
Owning a home		4.0%	0.7%
NGO/international organization support		2.7%	0.3%
Afghan government support		10.0%	0.7%
Other		0.3%	0.3%
		N=299	N=301

## Having a Local Support Network in Place upon Return Makes a Big Difference

The main difference between those households that could have returned without the Cash Grant and those that could not, is that for those who could not, there were no other means of support; 86.4% of the households who could not have returned without the cash grant logically mention Cash Grant as the main factor that facilitated their return. On the other hand, households that said that they could have returned without the cash grant input, reported in much greater proportions other factors besides just the Cash Grant: Having a local support network (community, family, friends) is the first asset mentioned by them, followed by owning a house or a land (12%), receiving support from the Afghan Government (10%) and having some skills.

This confirms that the most vulnerable among returnees, those who have no access to property or a personal network, are the most in need of a direct financial support, and a majority of them could not have returned without the cash grant. **This tends to demonstrate that the cash grant is playing its role in ensuring that ALL refugees, not only the ones with assets, are able to return. For some of them, the cash grant serves the main crucial role in facilitating their return.**

*"In Pul-e Charkhi (encashment center) we received for each person \$101, which was a good help to us, otherwise we couldn't return; we spent the money on transport and household expenses for four months." –Mohammad Afzal, Pashtun Male, 36, Formerly Exiled in Pakistan, Returnee in Kabul Province*

*"If UNHCR had not helped us, we really could not have come back to Afghanistan. But compared to our overall problems, the help of UNHCR is not enough. We request the government to help us in every aspect, because we were under constraint to migrate to Pakistan, so they must help us now." –Mohammad Arif, Pashtun Male, 35, Formerly Exiled in Pakistan, Returnee in Nangarhar Province*

## Role of Other Aid Received

The vast majority (84.3%) of the surveyed returnee households reported that they received no other assistance apart from the UNHCR Cash Grant upon repatriation. That said, **a significant minority (15.7%) did receive other forms of assistance, with one-quarter of them also stating that they could not have repatriated without this additional support.**

## Views on Why Others Stayed in Exile despite Availability of the Cash Grant

63.8% of the surveyed returnee households knew other Afghan families that stayed in exile despite the availability of the Cash Grant. Their opinions as to why others stayed in exile were solicited.

As corroborated by findings from the UNHCR sub offices, the lack of access to housing and the lack of ownership to land is the biggest obstacle to the voluntary return of refugees from Iran and Pakistan, followed by economic reasons (lack of opportunities or financial assistance) and social factors (insecurity and lack of a support network of family and friends).

Among other families you knew in exile, why do you think they stayed there despite the availability of the Cash Grant? By Province of Return (Multiple Answers)				
	<i>Kabul</i>	<i>Herat</i>	<i>Nangarhar</i>	<b>Total</b>
No house in Afghanistan	26.4%	42.2%	13.0%	<b>81.6%</b>
No land in Afghanistan	21.2%	36.0%	4.9%	<b>62.2%</b>
Better job/life opportunities in country of exile	22.0%	22.8%	14.0%	<b>58.8%</b>
Cash Grant not enough	12.7%	22.0%	6.5%	<b>41.2%</b>
Insecurity in Afghanistan	11.9%	25.9%	2.1%	<b>39.9%</b>
No support network (family/friends)	3.4%	2.1%	1.0%	<b>6.5%</b>
Don't Know	2.3%	0.3%	0.0%	<b>2.6%</b>
Other	0.3%	0.3%	1.6%	<b>2.1%</b>
N=386				

The value of the Cash Grant is viewed as one aspect in the decision as to whether or not to repatriate, but looking at the obstacles to return, it appears that the amount of current cash grants is only one factor among many and issues longer term implications are viewed as more important (e.g. whether or not a house and/or land is owned, as well as the ability to secure employment).

*"If possible, the grants should increase, because most of the Afghans who return have nothing."  
 –Abdul Satar, Tajik Male, 45, Formerly Exiled in Pakistan, Returnee in Kabul Province*

### **Refugees still in exile: Estimated Cash Grant Amount Needed per Family Member**

A good way to measure the relevance of the amounts handled was to measure their incentive effect among returnees still in exile, in Pakistan as in Iran.

All of the amounts estimated by respondents, as to how much would be needed if a Cash Grant were received, exceeded the average \$100 per household member that is currently given. Respondents still in exile in Pakistan and Iran were asked to estimate how much would be needed per family member if they would choose to go back to Afghanistan and qualified for a UNHCR Cash Grant.

Among the surveyed refugee households in Iran, amounts estimated ranged from \$150 to \$500 per family member, with the median amount per family member being \$300.

Estimates among those interviewed in Pakistan ranged from \$150 to \$1,000 per household member, with the median amount per member being \$400.

### **Estimation of How Long Cash Grant Would Last**

Estimations among those exiled in Iran ranged from 2 to 90 days, with the median amount of 30 days. Respondents in Pakistan gave estimations ranging from 6 days to 13 months; however the median amount was the same as among those exiled in Iran: 30 days. **Based on the median estimate of 30 days, the vast majority of respondents would expect the Cash Grant funds to, at a minimum, get them through the first full month after repatriation.**

## Extent to Which Cash Grant Matters in Contemplating Return

Compared to the Afghan returnee households that were evenly split (with equal halves reporting that they could or could not have returned without the Cash Grant), more of those still in exile would not be able to return without a Cash Grant payment (Graph 1 below).



*Could your household return even if there were no Cash Grant given?*

This interestingly shows that cash grant play a key role in the return of a majority of refugees in neighboring countries, and is **even more crucial when it comes to Pakistan** where 62% (vs 52% in Iran) of refugees could not return without a Cash Grant payment.

However, the extent to which the Cash Grant factors into the decision to possibly repatriate varies especially in regard to its monetary value; and other issues like not owning a home, not having (farm) land, and insecurity in Afghanistan carry much more weight into the decision process.

Why do you think Afghan refugee families stay in exile, despite the availability of the UNHCR Cash Grant? (Multiple Answers)	Exiled in Iran	Exiled in Pakistan
Cash Grant not enough	<b>52.9%</b>	<b>66.0%</b>
Better job/life opportunities in country of exile	47.1%	48.0%
No support network (family/friends) in Afghanistan	0.0%	0.0%
No house in Afghanistan	43.1%	<b>90.0%</b>
No land in Afghanistan	17.6%	<b>66.0%</b>
Insecurity in Afghanistan	<b>62.7%</b>	<b>72.0%</b>
Don't Know	0.0%	2.0%
	N=51	N=50

## **Expectation of Other Assistance beyond the Cash Grant is Minimal**

Only 3.9% of exiled households in Iran stated that they would expect to receive other assistance besides the UNHCR Cash Grant if they were to return to Afghanistan; and they would expect this additional assistance to be provided through their local support network (community, family, friends). Specifically they would expect additional assistance in terms of provision of food, shelter, and medical assistance/health program.

Among those exiled in Pakistan, only 4.0% declared they would expect to receive other assistance besides the UNHCR Cash Grant if they were to repatriate. Like their counterparts in Iran, they would expect additional assistance from their local support network, but also from an international NGO or organization program, in terms of provision of shelter, financial support (cash, loan, micro-credit), seeds for farming, and access to drinking water.

**As a conclusion on this set of questions**, it appears that the cash grant **plays a critical role in the decision to return** with gradual levels of influence regarding the social groups: A minor role for the one having strong assets and network, who would have come back anyway, a key role for the one with limited assets, and the most in need who could not have returned with the cash grant.

Returnees interviewed about their peers who remained in exile confirm that the cash grant can be balanced among other triggers of decision making, and is not always sufficient as an incentive to bring refugees back home, while other triggers such as quality of life, work and lack of opportunities or network on the Afghan side push them to stay in exile.

Speaking with **refugees currently in exile**, it also appears that refugees in Pakistan are in a greater demand of return, and in a greater need for a cash grant to allow them to return, when we compare them to refugees in Iran.

## 4. Efficiency & impact of the cash grant

### 4.1 Does the cash grant and its supporting arrangements still represent the most efficient way for donors to transfer funds directly to returning refugees whilst maintaining necessary safeguards against abuse?

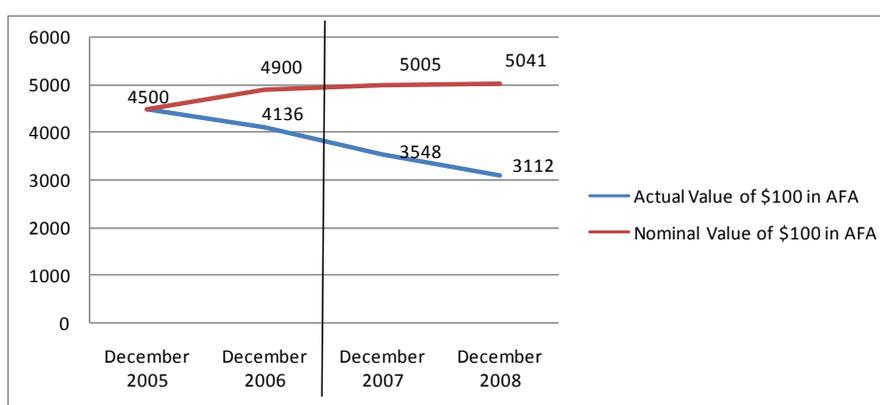
#### *Efficiency to maintain purchasing power in front of inflation:*

Following up on the question of relevance, is the issue of efficiency: is the Cash Grant the most efficient way for donors to help returning refugees? The answer depends on an assessment of the Cash Grant's ability to respond to the changes in price levels and purchasing power and holds an implicit reference to other forms of assistance and in effect to the dichotomy between cash based transfers and subsidies (i.e. non cash transfers).

#### ➤ Is the Cash Grant designed to sustain the purchasing power of returnee households?

Given the characteristics of inflation, an increase in the prices of common goods takes up a substantial portion of a returnee household's budget. The most adequate safety net to respond to the loss in purchasing power is to provide affected populations with cash compensating them for their loss. As such, cash initiatives are in effect the most efficient solution. Although it remains a relevant policy option and assistance mechanism, the main issue with the Cash Grant today is that it is not fully and continuously adjusted to changing price levels.

Using the value of \$100 in AFA as a base example, it is interesting to compare the evolution between the nominal and actual value of \$100 basket since 2005, taking into account the evolution in the exchange and inflation rates (Graph 28).



*Evolution of the Actual vs. Nominal Value of \$100 in AFA: Dec. 2005 – Dec. 2008*

Table 2 below summarizes the annual and cumulative change in the actual value of \$100, taking as the basis year the end of 2005 and tracing the evolution over the following three years. What the data collected shows, is that **there is a cumulative drop of 30.8% in the value of \$100**

**between December 2005 and December 2008.** Taking into consideration the evolution in exchange rate (positive impact) and the evolution in the inflation rate (negative impact), we obtain the actual value of \$100 in Afghanis.<sup>4</sup>

These calculations, based on exchange rates and inflation rates from 2005-2008, show that between December 2005 and December 2006, there was a 8.1% drop in the actual value of \$100, followed by a 14.2% drop between December 2006 and December 2007, and finally a 12.3% drop between December 2007 and December 2008; thus explaining the cumulative drop of 30.8% between December 2005 and December 2008.

	Currency Exchange Rate	Actual Value of \$100 in AFA	Annual Change in Actual Value	Cumulative Change in Actual Value
December 2005	45.00	4500		
December 2006	49.00	4136	-8.1%	-8.1%
December 2007	50.05	3548	-14.2%	-21.2%
December 2008	50.41	3112	-12.3%	-30.8%

*Annual and Cumulative Change in the Actual Value of the Cash Grant: Dec. 2005 – Dec. 2008*

Taking into account this information, three remarks can be made:

1. Given the exchange rate and inflation rate from 2005 to today, we can infer that refugees returning in 2009 experienced a cut in their purchasing power of about one third, on a basis of \$100, compared to refugees returning in 2005. If we consider 2007 as the base year, i.e. the year of the new \$100 Cash Grant, then the cut in purchasing power is estimated at one-fifth (22.7%).
2. As such, the decision made to increase the Cash Grant in 2007 from \$60 to \$100 was a sound policy option as it responded to the depreciation in the purchasing power of returnees.
3. However, in the Afghan context where annual inflation rates are above 10.0% a year (namely 16.3% in 2007 and 13.0% in 2008)<sup>5</sup>, the increase in the Cash Grant should be incremental and smoothly aligned on these rates on a bi-annual basis to ensure that returnees are entitled to the same purchasing power for the main goods that they need in their reintegration process: transportation, food and shelter. Given that nowadays many people are too poor to afford the food that is available, it is essential to ensure that the purchasing power of returnees is not deteriorating.

Data provided by the Kabul office of UNHCR shows that, on an assessment of the new Cash Grant implemented in 2007, for an average sized family of five, transportation costs usually averaged at about 25.0% of the Cash Grant. As such, if the fixed transportation cost is of 25.0%, and the inflation and exchange rates translate into a loss of the purchasing power parity, the

<sup>4</sup> The mathematical equation is the following:

Actual Value of \$100 in December 2006 = Actual Value of \$100 in December 2005 + (Actual Value of \$100 in December 2005 \* Percentage evolution in Exchange Rate) – (Actual Value of \$100 in December 2005 \* Inflation rate 2006)

<sup>5</sup> CIA – The World Factbook figures cited in:

[http://www.indexmundi.com/afghanistan/inflation\\_rate\\_\(consumer\\_prices\).html](http://www.indexmundi.com/afghanistan/inflation_rate_(consumer_prices).html)

efficiency of the Cash Grant is diminished as it will no longer allow returnees to fulfill their short term needs of food and shelter, let alone their longer term economic needs. For the majority, the money left over, after initial transport and food costs were met, did not last them more than 1 month after their return.

***"Cash only as the best response?"***

Theory has long argued that to raise the welfare of an individual at the lowest possible cost, cash grants are more efficient than subsidies. Adding to that, cash grants have the unparalleled ability to allow heads of households to make their own decisions on how to spend the money allotted to them, empowering them in their reintegration process.

The data collected in this study provides empirical evidence as to the most pressing needs of refugees upon return. This type of information has to provide the basis for assistance programs. Our question here is to understand whether the expertise of the assistance community has served to build a program that is efficient. If taking the issue of the efficiency of the Cash Grant, the head of the household may not allocate resources in the way that maximizes the benefits for the households. By building an in-kind support system, donors may be able to better help returning refugees by influencing their allocations in a way that corresponds to the data collected.

It is important to keep in mind that the first expressed need of returnees was money, as reviewed above. The Cash Grant therefore represents the most efficient way to respond to this need. The fact that money is the most important identified need upon return, along with the fact that the majority of households stated that the Cash Grant either completely (53.1%) or partially (43.7%) covered this most important need, attests to the effectiveness of the Cash Grant.

***Cost-effectiveness of the current cost & management structure:***

The Cash Grant program is currently implemented through local implementing partners (e.g. APA, the Afghan Planning Agency in Kabul), with one UNHCR staff placed in each center, and an average 14 staff member mobilized by the implementing partner at the encashment center level to coordinate the different activities. A breakdown of the 2007 and 2008 figures provided by UNHCR, allows us to assess the cost-effectiveness of the Cash Grant program:

<b>Encashment Centres Running cost for 2006-2008</b>			
<b>EC Cost by IP</b>	<b>2007</b>	<b>2008</b>	<b>Total</b>
<b>EC operational cost</b>	422 883	448 434	871 317
<b>Staff Cost</b>	435 303	475 409	910 712
<b>Total</b>	<b>860 193</b>	<b>925 851</b>	<b>1 786 044</b>
<b>Assistance disbursed</b>	<b>34 766 811</b>	<b>27 269 893</b>	<b>62 036 704</b>
<b>Individuals</b>	365 410	278 407	<b>643 817</b>
			<b>Average</b>
<b>Ratio \$/indiv</b>	95,1	97,9	<b>96,4</b>
<b>Direct OVH (@EC level)</b>	2,47%	3,40%	<b>2,9%</b>

Overhead costs are equally shared between operational cost and staff costs, and represent less than 3% of the total disbursed amounts in average in 2007-2008. This is **an extremely low overhead cost when we compare it to the 7-10% standard overhead applied to any implementing NGO** on development programs. Compared to the distribution of NFIs where a large amount of money would be spent in transporting the items, the money is, in the case of cash grant, directly given to heads of families who can optimize the allocation of the funds. It is to be noticed that the increase in overhead ratio between 2007 and 2008 is mainly due to a decrease of the number of returnees in 2008 by 24% (278,407 individuals in 2008 vs 365,410 in 2007).

Overall Cash Grants represent a **very low-cost channel to disburse large amounts of money to a broad population of beneficiaries**, and given the positive feedback given by the beneficiaries in the role that the cash grant play in allowing them to return and face immediate needs, it represents a very efficient channel of Aid.

***Safeguard against abuses:***

Due to abuses observed in the early years of the Cash Grant program, iris scanning systems were put in place in all centers, and break the opportunity for beneficiaries to cheat on the system in coming several times.

Similar to the Afghan returnee households that were surveyed, most of the Afghan refugee households still in exile claimed not knowing how households, in general, could abuse or cheat the system to fraudulently increase the amount of the Cash Grant payment. Among those few that did provide responses, **the main fraud known of involves "borrowing" extra people (adults or especially children) from friends/family to claim them on the voluntary**

**repatriation form (VRF) and thus increase the amount of members on the VRF, which leads to a higher Cash Grant payment.**

What ways have you heard of that people can abuse or "cheat the system"? (Multiple Answers)	Exiled in Iran	Exiled in Pakistan
Make multiple claims	0.0%	8.0%
Send different family members or people	9.8%	16.0%
Claim money was lost/stolen	0.0%	4.0%
Other (internal corruption)	2.0%	2.0%
Don't Know	<b>88.2%</b>	<b>80.0%</b>
	N=51	N=50

**4.2 Could alternative arrangements be developed that might further reduce transaction costs (e.g. greater involvement of the governments of Afghanistan and Pakistan in the management of the repatriation and encashment operation)?**

***Opportunity of a hand over to the GoA:***

Ability to manage and cost-effectiveness:

The opportunity of channeling the funding through the Afghan Government was discussed with project managers interacting on a regular basis with the Afghan Government, and other programs in which the GoA was given the lead were discussed. What comes out of these conversations is:

- There is currently little capacity within the MoRR to handle such large amount of money at the local level (up to 20 MUSD in Mohmand Dara EC, 4 MUSD in Daman EC)
- Despite attempt to develop the capacity of the Afghan Government in involving MoRR staff, there have been a lot of management changes and turnover within the MoRR itself, which hampers the development of a real internal capacity.
- Other programs directly handled by the GoA do not necessarily show a lower level of overhead costs.

***Trust from beneficiaries:***

The question of the trust in the entity that administers the cash grant was also raised with returnees themselves, in order to measure perception gained through their experience of the different systems and stakeholders.

Among those still in exile, trust in the international community to (continue to) administer the Cash Grant payment program is the highest. That said, trust in the Afghan government is also significant. By contrast, as also expressed by the Afghan returnee families surveyed, there is very little if no trust in either the governments of Iran or Pakistan to administer the Cash Grant.

In your opinion, which entity is better suited to administer the Cash Grants to minimize waste and corruption?	Exiled in Iran	Exiled in Pakistan
Afghan Government	<b>29.4%</b>	<b>36.0%</b>
Pakistani Government	2.0%	0.0%
Iranian Government	5.9%	0.0%
International NGO or Organization	<b>39.2%</b>	<b>50.0%</b>
Afghan NGO or Organization	0.0%	2.0%
Other (joint international organization and Afghan government effort)	0.0%	4.0%
Don't Know	23.5%	8.0%
	N=51	N=50

#### 4.3 Could a different use for the same resources have produced greater impact on return and reintegration?

Given the extremely low levels of overhead, the smooth organization of the program and the continuous needs and their satisfaction, expressed by local beneficiaries, it seems that the use of the average 30 MUSD annual budget in 2007 and 2008 could hardly be further optimized when it comes to helping refugee to return.

Alternative ways to spend such a budget (per refugee) and reach higher rates of return are not foreseen at the moment. Based on testimony of refugees still in exile, as well as returnees who have returned since 2007, it seems difficult to bypass this initial step of triggering returns before putting in place any other reintegration program.

The only option that could be imagined as an alternative to reach the same objectives and fund / support this transitional period of return would be a full assistance to refugees, from their location of exile, to their location of return, with transport, food and accommodation being taken in charge by an implementing organization. Although a full study on such a model could not be done within the guidelines of the current evaluation, it is unlikely that such a service could be served at a lower cost.

Other classic integration programs such as shelter and job creation are more costly in their implementation, and do not necessarily trigger immediate return; neither do they solve immediate treasury issues; it is to be reminded that the 50% poorest in our sample would not even have considered return without proper financial support. Therefore for this half of our respondents, other programs are probably not relevant as long as they don't reach the country of origin.

#### **4.4 Could the impact be higher if the resources are used in the country of asylum to secure a more predictable stay for Afghans?**

The increase of amount to be disbursed in Cash Grant, which is the main purpose of this study, was driven by a strong political will to **create an incentive for Afghan refugees to return to Afghanistan**; therefore the question is not directly relevant to the cash grant program itself. It has, however a lot of value at a macro level, and would require an analysis on the communities of refugees which are still in exile, their needs, and the willingness of governments on both sides of the border to improve their living conditions, while accepting a status quo. This could be the object of a separate study.

## **5. Conclusions & Recommendations**

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### **5.1 Conclusions**

Overall, the Cash Grant program is making a very positive contribution to returnees. It successfully and efficiently meets their immediate and short-term needs while giving families empowerment over how to spend their grants. It is effective in ensuring that the option to return is made available to all refugees, not just those refugees who have social and physical assets already in Afghanistan.

Its increase in 2007 from \$60 to \$100 was necessary to compensate high inflation rates and the changes in exchange rate since 2005. It was followed by an increase in the flows of returnees, with higher numbers in 2007 and 2008 than in 2006; while other factors are likely to have played a positive role in this peak of returns, the increase of the cash grants seems to have had a significant impact, in particular when it comes to the most vulnerable families: the Cash Grant is in many cases enabling refugees, who do not have existing social or physical assets in Afghanistan, to make the move to return home. This seems to be the case for nearly half of the returnees who relied heavily on the Cash Grant to return.

The Cash Grant does not contribute directly to a sustainable reintegration as the money is spent very quickly but it is in line with its design objective and working as UNHCR intends, which is primarily to encourage return by addressing immediate and short-term needs of families (especially immediate cash requirements and short-term water, food, shelter and transportation needs) rather than long-term needs.

Cash is also believed to be the most effective response mechanism with many advantages on other options:

- It is the best response mechanism when we consider the cash-based nature of immediate and short-term needs.
- It allows heads of households to make their own spending decisions, thereby empowering them in their reintegration process.
- The procedures put in place (the VRF and iris scanning) are working well against system fraud when compared with the early years of the Cash Grant program.
- Finally, this research shows that the Cash Grant system is commendably cost-effective, with UNHCR's implementation system using local partners, a light footprint of UNHCR staff in Encashment Centers, and an overhead cost of only 3% of the disbursed amounts.

In conclusion, the current Cash Grant program is working efficiently as a low-cost method dispersing large amounts of money, to a broad population of beneficiaries across a large geographical area. It is unlikely that other options which could use the same funding to create a full-assistance return program would be either as efficient as the Cash Grant system, or encourage the same levels of return.

It appears that opportunity to channel the funding through the Afghan Government would not be realistic as of today, due to the lack of capacity and high turnover within MoRR, and when it comes to delivering cash, beneficiaries showed a higher level of trust for international organizations.

However it's important to highlight the fact that in today's context, there are refugee families in Iran and Pakistan who are still reluctant to return. Some of them might have better opportunities in the country of exile, some of them consider the security as an impediment, and are not likely to return. Some also regard the \$100 offered as insufficient to counter the high risk of returning, especially in situations where they do not have family, houses or land in Afghanistan. In these cases, higher amounts of money or other complementary mechanisms should be considered, and after the massive flows of return of the years 2002-2004, a case by case approach might be the only way to identify the ones which are likely to return and should be supported.

The Cash Grant also needs to be positioned at the front of a longer term integrated package of support for returnees, with longer-term assistance in terms of housing, medical care, job-integration, micro-finance, seeds and access to land for which the support of government or NGOs would be very welcome. This is further detailed in the recommendation section below.

## **5.2 Recommendations**

Beyond protection needs are recommendations for other types of assistance activities to be integrated in the repatriation budget in order to strengthen longer term reintegration. The base question here is how to best spend resources given the current return and repatriation context.

**It is recommended that the Cash Grant be included as part of an overall "Reception, Placement and Reintegration Services Package", whereby returnees are entitled to receiving a standard assistance package upon their arrival.** The services here should include the help with returnees' immediate transport, food and shelter needs, an introduction to their new living surroundings and help accessing resources and services available in their communities. This package would encompass the current Cash Grant and an additional Matching Program.

This section outlines a series of areas of opportunity to be integrated in this comprehensive assistance package. These include initiatives which are not cash intensive, have a limited structural cost, and would allow UNHCR to take advantage not only of its key existing position, on the road of return of hundreds of thousands Afghans, but also its knowledge of the returnees, the refugees still in exile, their needs, expectations and the potential drivers of return. This major role of communicating with refugees and dispatching returnees through existing programs can become a major complement to cash grants, which should remain a key component of return as they represent a stimulus for return and cover immediate needs, the first month being a key period for returnees to reconnect with their network and return in decent conditions. However, they are not efficient beyond this immediate scope, and therefore leave room for a wider range of assistance initiatives to be set in motion.

Some of these recommendations would require further study, but the UNHCR network and presence in host countries (Pakistan and Iran) and in Afghanistan makes a number of them relatively feasible and affordable.

➤ What elements could be added to the Cash Grant to improve the return process?

A proposed addition to the Cash Grant is to build a **Matching Program** as a complement to the cash assistance. Such a program would integrate:

- **The utilization of existing and local reintegration programs and the participation of partner institutions for the provision of employment services as well as food and shelter assistance.** The goal of this component should be to help build a more sustainable reintegration process and lead returnees on the path to economic self-sufficiency. Enrollment in this program will have to be made within one month of the return date to Afghanistan, with food and shelter assistance and employment services up to 6 months. This will allow the Cash Grant to be used on immediate and emergency needs upon arrival, leaving reintegration needs to be addressed by the matching program. As an example, four such programs have been shortlisted as they show a strong potential for effective joint programming with UNHCR:
  - Employment Service Centers (ESCs):

The services provided by the ESCs are designed to assist all Afghans. The staff receives on-the-job training to fulfill their tasks as vocational counselors. Their responsibilities include registering job seekers for employment, interviewing job seekers, receiving job vacancies from employers, referring jobseekers to appropriate vacancies and identifying training opportunities for job seekers. ESCs are today:

    - ✓ The only real source of direct job placement,
    - ✓ Well-established offices over the years (since 2004) in provinces where high numbers of returnees relocate (Kabul and Nangarhar), and
    - ✓ A long term solution to unemployment and underemployment through capacity building at the ministry level.
  - IRC Cross border livelihood programs (CBLP):

This program aims to facilitate the sustainable repatriation of Afghan refugees to contribute to the recovery of Afghanistan. The CBLP currently selects young educated Afghan citizens living in and around Peshawar willing to return to Afghanistan and provides them with market-oriented training, in line with the demands of the Afghan labor market. After completion of the training course, the selected participants are supported in their search for internship and employment opportunities in Kabul. UNHCR could partner with IRC to build on the population of returnees coming back through UNHCR's assistance and recruiting potential participants from this pool of returnees.
- **Partnerships with private and public sector actors to provide returnees with tools aimed at facilitating their reintegration. The aim here is to create a network of returnees as a source of solidarity and local knowledge often missing in the lives of returnees.** As the findings of this study show, certain common needs and problems arise for all returnee populations. Coping mechanisms and solutions to remedy to these problems go beyond the capacity of the Cash Grant program. Such initiatives can be spearheaded by a partnership between UNHCR and private companies before leaving it up to returnees to sustain these relations. As an example:

- A partnership with telecom operators to establish returnee networks. Such an initiative would provide the operators an incentive to “win” new customers, for UNHCR a way to track returnees for assistance and monitoring purposes and finally for returnees a free ticket to obtaining a mobile upon their return. Returnees are more mobile, changing locations to respond to their economic needs. An entry gift of a mobile and SIM card could be an affective option to (1) encourage a dynamic collaboration between returnees and (2) provide an opportunity to monitor returnees integration and living conditions through regular phone surveys on large samples, that are quicker and cheaper than field surveys (3) provide an efficient way for Aid & support programmes to reach out to and follow-up with returnees, ensuring that they are made aware via text or voice message of the reintegration opportunities open to them. In urban areas, returnees are often hard to localize, and many of them have no information on support programmes available.
- **Identification of specific skills among refugees, and connection with the relevant sectors:** Studies done in the last 2 years on the construction sector showed that some specific skills, related to some construction trades (e.g. integrating gypsum, aluminum, sophisticated electricity or A/C maintenance) were mainly brought by returnees who worked in Iran on construction work. A better identification of these skills at the registration centers, or even with local HCR office in the countries of exile, could be a first step into a smoother integration on the Afghan labor market, and even a direct driver of return for a number of qualified Afghans whose skills are much needed.
- **Support to the entrepreneurial potential among Afghan refugees through the creation of a network connecting returnees.** Building on prior experience of successful programs, returnees can partner with other past or present returnees in their vicinity to start-up a business. Models of partnership are useful for returnees who still need to adapt to a new local context and need support in their endeavor.
  - Returnees who are part of this established network can partner to start a business which they might not be able to finance on their own. At present, only a minority is able to use their Cash Grant funds for investment purposes (1.0% of the sample surveyed). However, the potential is there, with 39.2% of refugee households exiled in Iran, and 56.0% among those in Pakistan, stated they would start a business to earn income if they were to repatriate to Afghanistan. Almost all stated that they would rely on loans from relatives or friends for the money needed to invest in starting the business, showing the weight of networks in enhancing business related initiatives. Given the fact that the percentage still in exile that expressed interest in starting a business is higher than among returnees, suggests that with the proper support, more businesses could actually be established by returnees.
  - Returnees with entrepreneurial projects could receive information, if not short trainings on micro-credit opportunities; more linkages with micro-finance lenders could be developed at no cost.
  - Network members can assist each other in starting up a business (e.g. with business plan developments), estimating the necessary costs, referring to local

business associations (or linking up with banks & micro-credit organizations). This is especially relevant in a context of infrastructure improvement and development in cities such as Kabul, with electricity supply allowing for the creation of jobs and the sustained economic activity in sectors such as the construction sector, where many returnees take on employment. Such programs have already been developed to assist voluntary as well as deported returnees coming from EC to reintegrate into the Afghan economy (EU RQA, IOM, AGEF) but they have not been proposed on a large scale to returnees coming back from the neighboring countries, probably due to the large numbers involved, and the complexity it would have represented in the first years of return. In the current context these programs will become more relevant, and if well promoted, could become an efficient driver of return.

- The above mentioned initiatives target the needs reported by returnees interviewed in this study, ranging from money to food, shelter, housing and employment opportunities. However, the one challenge which cannot be properly addressed is the fear of insecurity for returnees who have spent often more than one decade outside of their own country, especially in the current context. Here also, better networking and communication amongst returnees can be an efficient way to reassure refugees willing to return, and provide an informal support.

### 5.3 SWOT Analysis

The following matrix summarizes the strengths, weaknesses, opportunities, and threats (SWOT) of the Cash Grant with respect to the presented key findings and recommendations.

<p><b>Strengths</b></p> <ul style="list-style-type: none"> <li>● Provision of cash regarded as most appropriate and efficient way to address needs upon return</li> <li>● The most important of immediate short-term needs are being at least partially, if not completely covered</li> <li>● For those returnee households without a local support network in place upon return, the Cash Grant serves the main crucial role in facilitating their return</li> </ul>	<p><b>Weaknesses</b></p> <ul style="list-style-type: none"> <li>● While the most pressing of immediate needs tends to be met, secondary or tertiary immediate needs are at best partially or not at all covered.</li> <li>● Long-term reintegration needs are largely not being met</li> <li>● All immediate concerns are not addressed</li> <li>● The Cash Grant is not aligned with inflation levels resulting in a decreasing purchasing power of returnee households</li> </ul>
<p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>● Match the Cash Grant with annual inflation levels through a biannual assessment of its actual value</li> <li>● Design a Reception, Placement and Reintegration Services Package by combining the Cash Grant with a matching program</li> <li>● Link returnees to existing assistance programs and institutional partners for assistance with food, shelter and employment</li> <li>● Initiate the creation of a network of returnees through the setting up of a mobile system and easy-to-connect initiatives among returnees</li> <li>● Support the entrepreneurial potential, as part of the repatriation process and the returnee network initiative</li> <li>● Build on the reputation of UNHCR and credibility of the Cash Grant program to publicize the matching program among populations in Pakistan and in Iran</li> </ul>	<p><b>Threats</b></p> <ul style="list-style-type: none"> <li>● Diminishing overall impact as the actual value of Cash Grant decreases with inflation, if purchasing power is not taken into account gradually</li> <li>● Lack of sustained reintegration if immediate needs are not complemented with longer term needs, and</li> <li>● Probability of return to the country of exile if faced with difficulties and failure of reintegration</li> <li>● Better services and livelihood options, as well fear of insecurity are major obstacles to the return of refugees who are still in exile</li> </ul>

## Annexes:

### Annex A – Afghan Returnee Households & Cash Grant Beneficiaries since 2007 : Social analysis

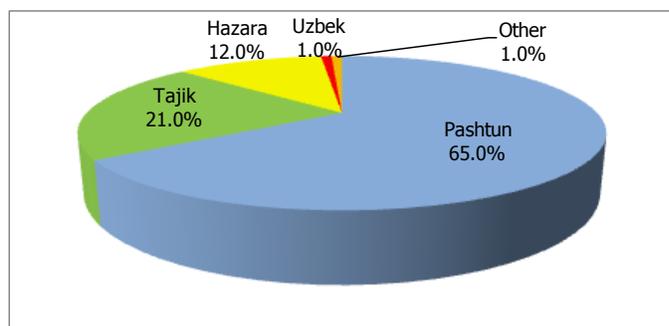
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#### 2.1 Demographic profile

##### Ethnicity

For the 605 returnee households surveyed in Kabul, Herat, and Nangarhar Provinces combined, Pashtuns represent the majority of returnee households at two-thirds of the sample, followed Tajiks, Hazara, Uzbek, and "Other". Almost two-thirds of the households surveyed were exiled in Pakistan, with the majority of these households being Pashtun, thus accounting for their higher numbers. The ethnic breakdown of the overall sample is shown in Graph 1.

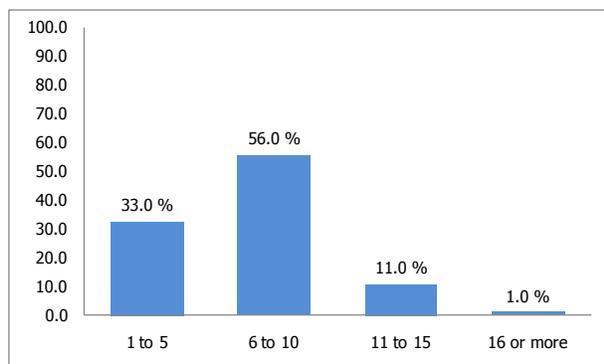
Graph 1. Ethnic breakdown of the population interviewed



##### Family Members per Household

The amount of family members in each returnee household ranged from 1 to 30, taking into account nuclear and extended family groupings as it is typical for Afghan homes to house both. 56.0% of sampled returnee households have 5 to 10 family members, with another 33% comprised of 1 to 5 members. **The average number of family members among the sampled returnee households is 7.**

Graph 2. Number of family members per household



77.0% of these households reported having children of 6 years of age and under, living with them.

## 2.2 Migration Patterns

### Province of Origin

Almost half of the returnee households that were exiled in Iran originally hailed from Herat Province (47.0%). For those households that were exiled in Pakistan, the leading province of origin was Nangarhar (41.0%), followed by Kabul (31.2%). The tables below show the provinces of origin for all households sampled.

<b>Exiled in Iran: Provinces of Origin</b>		
<i>Province</i>	<i># Households</i>	<i>Percentage</i>
<b>Herat</b>	<b>87</b>	<b>47.0%</b>
Daikundi	20	10.8%
Ghor	15	8.1%
Bamyan	13	7.0%
Faryab	10	5.4%
Kabul	9	4.9%
Parwan	8	4.3%
Wardak	7	3.8%
Badghis	3	1.6%
Ghazni	3	1.6%
Kunduz	2	1.1%
Takhar	2	1.1%
Badakhshan	1	0.5%
Farah	1	0.5%
Kapisa	1	0.5%
Balkh	1	0.5%
Nimroz	1	0.5%
Samangan	1	0.5%
<b>Total</b>	<b>185</b>	<b>100.0%</b>

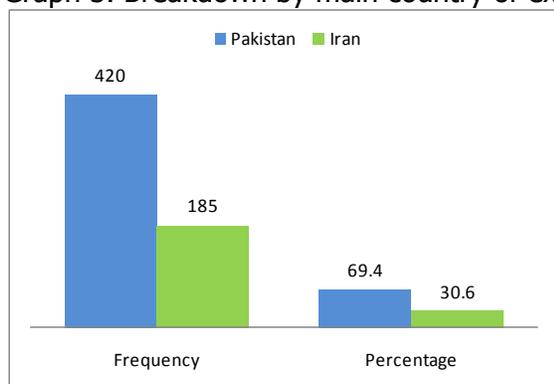
<b>Exiled in Pakistan: Provinces of Origin</b>		
<i>Province</i>	<i># Households</i>	<i>Percentage</i>
<b>Nangarhar</b>	<b>172</b>	<b>41.0%</b>
<b>Kabul</b>	<b>131</b>	<b>31.2%</b>
Laghman	38	9.0%
Kunar	17	4.0%
Paktya	15	3.6%
Faryab	12	2.9%
Kunduz	10	2.4%
Ghazni	4	1.0%
Herat	4	1.0%
Logar	4	1.0%
Baghlan	3	0.7%
Parwan	3	0.7%
Balkh	2	0.5%
Wardak	2	0.5%
Daikundi	1	0.2%
Kapisa	1	0.2%
Unknown	1	0.2%
<b>Total</b>	<b>420</b>	<b>100.0%</b>

## 2.2.1 Exile

### Main Country of Exile

About one-third (30.6%) of the returnee households surveyed were exiled in Iran, with the remaining two-thirds (69.4%) having been exiled in Pakistan.

Graph 3. Breakdown by main country of exile



### Choice of Country of Exile

Among the different “pull” factors motivating the choice of the country of exile, those households that went to Iran were first and foremost economically motivated by the availability of better economic opportunities (76.1%) while those who went to Pakistan were concerned by social factors and the existence of networks (73.9%).

In both country of exiles, migration is explained by a mix of factors – social, cultural and economic – with the top three reasons for choosing Iran or Pakistan for exile being:

- (1) Economically, for better employment opportunities,
- (2) Socially, for the existence of transnational networks,
- (3) Culturally, for the linguistic, ethnic and historical ties and similarities.

Regarding economic factors, the primary motivator was access to employment; the wages associated with that employment being of a lesser significance. The major concern for the interviewed population at the time of exile was, first and foremost, getting a job, hinting at the precarious nature of their departure from their home country.

Why did you select <b>Iran</b> as the country of exile? (Multiple Answers)	
Better employment opportunities	76.1%
Cultural/linguistic similarities with Afghanistan	68.5%
Established networks (friends, family, religious, ethnic, etc.)	43.5%
Wage differential	39.7%
More freedom over there	3.3%
Other	2.2%
N=184	

"The reason for choosing Iran was that we could find work there and we have the same language." –Jan Mohammad, Tajik Male, 38, Formerly Exiled in Iran, Returnee in Herat Province

Why did you select <b>Pakistan</b> as the country of exile? (Multiple Answers)	
Established networks (friends, family, religious, ethnic, etc.)	73.9%
Cultural/linguistic similarities with Afghanistan	44.0%
Better employment opportunities	29.9%
Other (Nearest Country; Couldn't go Elsewhere; etc.)	27.3%
Wage differential	16.3%
More freedom over there	9.8%
N=418	

**Indeed, especially among Pashtun families on both sides of the border with Pakistan, traditional, cultural, and historical ties are very much prevalent.**

"Our life situation was good, but the situation of our government was not good and was getting worse day by day, because every day the Mujahedeen were firing more than 80 rockets in Jalalabad; and every day people were killed and houses destroyed. Our factory's activity decreased day by day. Then my father decided to go to Pakistan, because it was easy to get there and we would not have a language problem." –Fazel Hadi, Pashtun Male, 30, Formerly Exiled in Pakistan, Returnee in Kabul Province

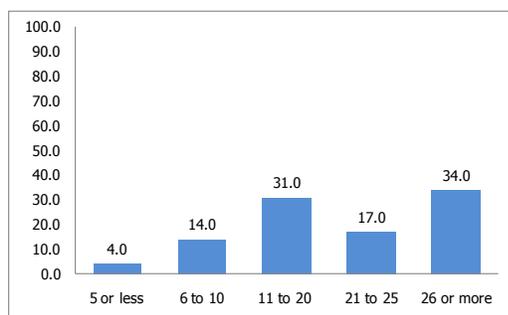
"We left the country about 28 years ago after the invasion of the Russian forces and the coming of the Communist regime and war. We went to Pakistan, as most of our relatives were living there and our culture and languages match." –Ghausudin, Pashtun Male, 80, Formerly Exiled in Pakistan, Returnee in Kabul Province

"I chose to go to Peshawar, because of the good relationship between our two countries and the acceptance of refugees due to the humanitarian policy, and also my other relatives had migrated to Pakistan before us." –Abdul Wali, Pashtun Male, 34, Formerly Exiled in Pakistan, Returnee in Nangarhar Province

## Exile

Most of the returnee households surveyed spent a significant time in exile. Half of the sampled returnee households went into exile over 20 years ago; a third of the sample alone went into exile over 25 years ago. The average returnee household went into exile a bit over twenty years ago.

Graph 4. Number of years spent in exile (%)



As the households targeted for survey were those that had voluntarily repatriated from begin 2007 onwards (when the Cash Grant had been significantly raised), a standard deduction of maximum two years from the number of years ago exiled reveals that **most of the surveyed households spent a significant time in exile in Pakistan or Iran, with indeed half of the households having spent 20 or more years in exile.**

### Reasons for Exile

As expected the major “push factor” that accounts for virtually all of sampled households going into exile was due to the years of conflict and insecurity going back to the Soviet occupation, civil war, and subsequent Taliban regime, with several waves of exiles appearing, the soviet invasion being the first and main one (“26 to 30 years in exile” in the chart above corresponds to families who left between 1979 and 1982). The second major reason is “employment”, which is also tied to the first reason, in that “conflict/insecurity” affected and even disrupted many livelihoods, hence pushing people into exile.

Why did you go into exile? (Multiple Answers)	
Conflict/Insecurity	98.5%
Employment	48.4%
Drought	11.1%
Health Care	1.2%
Family Reunification	0.2%
Other	0.3%
N=605	

### Location during Exile

Most of the households sampled that were exiled in Iran reported that they lived in urban areas during exile, whereas the majority of those exiled in Pakistan reported living in rural areas. The breakdown between camp and non-camp residents is close to even, with a small majority living outside of camps, for the most part in rented apartments and houses (49.1%), while others lived in their private houses (2.0%) and the remaining at their place of work (2.0%).

Place of Exile:	Urban	Rural
Iran	63.8%	36.2%
Pakistan	20.0%	80.0%
N=605		
Housing Situation in Exile		
Non Camp	53.1%	
Camp	46.9%	
N=605		

The following two tables are a listing of the urban and rural locations where the surveyed households lived during exile in Iran and Pakistan. The rural category includes the names of the camp where 46.9% of respondents reported living.

<b>Iran</b>			
<b>Urban</b>		<b>Rural</b>	
Barmin, Karaj	Sherjan, Kerman	Bandar Boshar, Fars	Khatoonabad, Pakdasht
Fars	Shezada Qasim,	Charda Zan, Rahwaz	Mardasht, Sheraz
Gunbad, Gulestan	Faryan	Desant Bala, Rafsanjan	Masooma, Qum
	Tabriz	Falaka Mawlana,	
Isfahan	Waramin, Karaj	Taiebat	Melard, Shariyar
Kayoun,		Garash, Sheraz	Pir Sufian, Qaraween
Mazendaran	Yazd	Gorgan, Mazendaran	Qir Karzon, Fars
Kazemabad,	Zahidan	Gugan, Tabriz	Rafsanjan
Kerman	Zedili, Kashan	Hazar Sharak, Sheraz	Shariyar, Qaraj
Malayer, Hamdan		Karja, Tabriz	
Mashad			
Qum			

<b>Pakistan</b>			
<b>Urban</b>	<b>Rural</b>		
Gujrat	Achar Keli, NWFP	Hari Pur, NWFP	Sawabi Camp, NWFP
Islamabad	Akbar Pur, NWFP	Harkeli Camp, NWFP	Seyal Kot, Punjab
Karachi	Ali Pur, NWFP	Hawai Camp, NWFP	Shaheen, NWFP
Lahore	Arkol Camp, NWFP	Indoko Daman, NWFP	Shamshato Camp, NWFP
Quetta	Arkoli Khatak, NWFP	Jalozai Camp, NWFP	Shekh Manda, Baluchistan
	Babo Camp, NWFP	Kababyan Camp, NWFP	Surkh Road Camp, NWFP
	Bada Bera, NWFP	Kacha Garai Camp, NWFP	Tajabad Camp, NWFP
	Bagh Chopol, NWFP	Khaki Camp, NWFP	Tareli, Punjab
	Baghbanan Camp, NWFP	Khatakopol Camp, NWFP	Wakho Pul, NWFP
	Bakhso Pul, NWFP	Khazana Camp, NWFP	Warsak Camp, NWFP
	Bara, NWFP	Mardan, NWFP	Yousufabad Camp, NWFP
	Dara Sangali, NWFP	Menda Camp, NWFP	Zakheil, NWFP
	Dawaba Camp, NWFP	Miawali Camp, NWFP	Zalzo Camp, NWFP
	Dera Shab Qadr, NWFP	Naser Bagh Camp, NWFP	Zindi, NWFP
	Gacha Keri, NWFP	Qamar Mashani, Punjab	
	Hango, NWFP	Saranan Camp, Baluchistan	

### Selection of Domicile in Country of Exile

Surveyed households were also asked how they selected the place where they lived. Having family or friends in the area was the strongest factor when it came to choosing the area of residence in exile (77.4%), followed by perceived or real job opportunities (44.8%).

How did you select the city or village of your exile? (Multiple Answers)	
Had friends or family there	77.4%
Job opportunities	44.8%
Had religious or ethnic community ties there	25.5%
Easiest to access	15.0%
No choice	12.4%
Education opportunities	10.9%
Other	2.3%
N=605	

### Refugee Status during Exile

80.0% of the returnee households that were exiled in Pakistan reported having had Proof of Registration (POR) Cards, with 11.0% reporting having had a “special ID card”, another 6.0% reporting having had “immigration cards”, and the remaining 3% claiming they had no documentation or papers. The categories of special ID and immigration cards show that, while beneficiaries need to have had the POR card to qualify for the cash grant, they are not all aware of its name and identify it as something else.

For those households that were exiled in Iran, 70.0% reported having had “Amayesh II” cards, with 5.0% having had “Amayesh I” cards, and the remaining 25.0% having had a “Blue Card/Registration Slip”.

### 2.2.2 Return

#### Date and Flows of Return

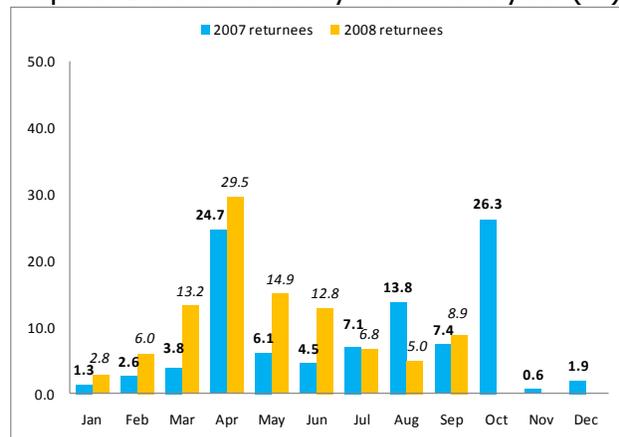
52.6% of the surveyed households voluntarily returned to Afghanistan in 2007, with 47.4% having returned in 2008.

The monthly breakdown of return shows similarities in the 2007 and 2008 returnee flows. . Among the surveyed households the peak season for return in both 2007 and 2008 was recorded in the spring and the lowest point in the winter, with a gradual decrease over the course of the summer.

In both years, the peak of return was recorded during the month of April, which marks the beginning of the New Year in the Afghan calendar and the beginning of the repatriation season, following the winter season. About a quarter of 2007 returnees (24.7%) and a third of 2008 returnees (29.5%) came back in April.

The rest of the monthly figures also correlate similar information: the winter season records the lowest numbers of returnees, with numbers picking up again in March, slowing down in the summer months, and picking up again in the fall during the month of October. These trends can be explained by climate factors affecting the patterns of return. Graph 5 illustrates these monthly and seasonal trends.

Graph 5. Date of return by month and year (%)



### Reasons for Return

As opposed to the motivations for exile, the main motivation for voluntary return is more of a symbolic or emotional nature with “love of country” having been the leading reason (71.8%). While of significance, the expressed pride in one’s Afghan heritage should nonetheless be considered in conjunction with the more practical reasons, even if less reported. Reasons like “family reunification” (36.7%), a perceived or real understanding of “better opportunities in Afghanistan” (28.6%), “lack/loss of employment in country of exile” (20.4%), “camp closure”, and “worsening security in country of exile” (particularly in Pakistan), all played a role in the decision to return.

The second major reason reported was the fear of losing refugee status in the country of exile. For instance, the status of POR holders in Pakistan was clearly valid until the end of 2009 (it has now been renewed to 2012). Respondents explained the pressure of the short term validity of these timelines as a “push” factor related to the constant worry and fear that the refugee status would not be renewed. Preferring to leave the country of asylum rather than being expelled or forced to leave, more than half of the respondents (56.8%) indicated the fear of losing their legal status an incentive to return.

Why did you return to Afghanistan? (Multiple Answers)	
Love of country	71.8%
Fear of loss of refugee status in country of exile	56.8%
Family reunification	36.7%
Better opportunities in Afghanistan	28.6%
Lack/loss of employment in country of exile	20.4%
Other (Camp Closure, etc.)	15.6%
Worsening security in country of exile	11.5%
Rising cost of living in country of exile	3.8%
N=602	

*"Due to my love to my homeland and according to the decision by Pakistan government and damaging our Camp I returned to my country." –Mohammad Afzal, Pashtun Male, 36, Formerly Exiled in Pakistan, Returnee in Kabul Province*

## Location of repatriation

### *Province of origin vs. province of relocation*

While the survey locations were limited to the three provinces of Kabul, Herat, and Nangarhar, 67.0% of the households in our sample originated from one of these provinces and resettled after repatriation in their province of origin.

The remaining 33.0% of returnee households did not originate from the three surveyed provinces. These households were asked why they chose to resettle in other than their province of origin. The main reason given was due to access to employment.

Why did your household resettle in other than your province of origin? (Multiple Answers)	
(Perception of) job opportunities	78.4%
Access to services	55.9%
Security level	52.5%
Family/friends network	43.6%
Greater freedom	17.6%
Other	6.4%
N=204	

### *Urban vs. rural relocation*

The vast majority (63.0%) of the subset number of returnee households that resettled in other than the province of origin resettled in urban areas. The urban / rural split is more significant in the provinces of residence before exile with a predisposition of Afghans at the time to live in rural areas. However, upon return, the split between urban and rural is more balanced, showing a tendency of Afghan returnees to opt for urban areas following their years of exile.

Urban vs. rural split before and after exile		
	Urban	Rural
Before exile	27.2 %	72.8 %
After exile	46.6 %	52.9 %
N = 605		

## 2.3 Labor and Employment

### Source of Income

Most of the returnee households surveyed reported salary or wage income as the main source of income for the household.

91.0% of surveyed households indicated they have at least one person earning some type of income for the household. 11.0% of the households reported having at least 1 child under the age of 18 earning income. 2.0% of the households solely had children under the age of 18 earning income for the household.

What are the sources of income of your family? (Multiple Answers)	
Wage/Salary Income	83.6%
Other (savings, etc.)	6.4%
Help of relatives/friends	6.3%
Loans from relatives/friends	3.6%
Income from farming	3.0%
Income from business	2.8%
Remittances	1.5%
Cash for Work program	0.8%
Income from selling livestock	0.7%
N=605	

### Monthly Income

**The median overall monthly income reported by the returnee households surveyed was \$80.** A little over half (50.9%) of all the households have overall monthly incomes that fall between \$51 and \$100. This is in line with the findings of the UNHCR sub office in Jalalabad's needs assessment of beneficiaries which estimated the monthly income at AFA 4,032 or \$80.

Overall Household Monthly Income	No. of Households	Percentage
\$50 or less	111	18.3%
<b>\$51 - \$100</b>	<b>308</b>	<b>50.9%</b>
\$101 - \$150	88	14.5%
\$151 - \$200	58	9.6%
\$201 - \$250	15	2.5%
\$251 - \$300	16	2.6%
\$301 - \$350	3	0.5%
\$351 - \$400	5	0.8%
Over \$400	1	0.2%
<b>Total</b>	<b>605</b>	<b>100.0%</b>

## Main Occupation

**72.0% of interviewees, who spoke on behalf of the entire household, also reported currently working (28.0% were unemployed).** Of those currently working, 87.0% were heads of household (the remaining 13.0% were mostly sons of the head of household). A significant amount work as daily-wage laborers, mostly in the construction sector (45.5%). It should be noted that 55.0% of these working interviewees indicated they were illiterate.

What is your main occupation today?	
<b>Laborer/construction worker</b>	<b>45.5%</b>
Other	9.9%
Driver	8.3%
Technician (e.g. plumber)	8.1%
Shopkeeper	7.2%
Businessman	4.8%
Fruit/vegetable vendor	4.8%
Farmer	4.6%
Tailor	2.8%
Teacher	2.3%
Watchman/guard	0.9%
Civil servant	0.5%
Office worker	0.2%
N=433	

## Annex B. Summaries of Case Studies

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Case Study I: Kabul Province	
Interviewee	"Ajmal"
Gender	Male
Age	30
Marital Status	Married
Ethnicity	Tajik
Highest Level of Education	High School (12 <sup>th</sup> Grade)
Number of Household Members	10
Province of Origin	Logar
Country of Exile	Pakistan

Before exile we were living in Kabul City. Our life situation was not good; there was insecurity and economic problems, there were no job opportunities and the Taliban regime punished the people who didn't wear a turban or have a big beard. They also didn't allow women to go or work outside the home. Therefore we decided to leave Afghanistan, and went to Pakistan, because most of our relatives were living there in Quetta, Pakistan.

At first, we were there as illegal refugees, but in 2005 we were registered and in 2007 we got refugee cards. Our life was not good at the first. We faced a lot of difficulties: we didn't have work; we lived in a rented house made of mud (the rent of that house was 1,000 rupees per month); we didn't have gas or healthy drinking water. We had to feed 10 people in our family, that was so difficult and no one helped us to find a good job over there in Pakistan. After a few months, my father opened a retail shop; my father, my younger brother, and I tended the shop; day by day our business was getting better.

After 2 years I got a good job in a mine clearance agency; my salary was good, and our household's monthly income improved. I could help my brothers and sisters to go to school and English and computer centers to learn.

In 2005 my father got a sickness. After a lot of treatment the doctors said that he had blood cancer, and after 6 months he died. We brought his dead body back to Afghanistan to our home province and buried him there in Logar. We then went back to Quetta.

We were living there till June 2007. When I lost my job there, I decided to come back to Afghanistan, because I tried to find another job, but job opportunities were scarce at that time in Pakistan. In addition, my elder sister had married and returned to Afghanistan; she also requested us to come back.

In June 2007, we were processed (for voluntary repatriation) at the Balily check-in center; they scanned our eyes and filled out our documents. Then we came to Afghanistan to the Kabul encashment center; they made a hole in our refugee cards and gave us \$800 (Cash Grant). We spent \$400 of that money on transportation and other family expenditures along the way coming to Afghanistan, and also we used about \$400 of it on repairing of my house. This (Cash Grant) money is not enough for a refugee family, because this amount cannot solve their problems; everything is expensive, no one can invest this little money to then benefit from it. If

UNHCR wants to help our people, they can make factories to provide job opportunities for returnees.

We didn't go back to our province of origin, because I couldn't find a job there. At first, we went to Mazar-e Sharif; we thought that we will find a good job there; we tried a lot, but we couldn't find jobs there, so, after six months of being there, we decided to go to Kabul province and settled in District 10, in Khoja Rawash, near to the airport.

My previous employer from Quetta, Pakistan, had also returned; he has an NGO in Kabul City. After one month of being in Kabul, he hired me as a cleaner. My salary is 10,000 AFA per month. My older brother is still jobless and my younger brother is still studying.

I am living in my own house together with my family; we have access to drinking water and electricity. However, my salary is not enough for our monthly expenses, because of the high cost of things.

<b>Case Study II: Kabul Province</b>	
Interviewee	"Arian Khan"
Gender	Female
Age	20
Marital Status	Single
Ethnicity	Tajik
Highest Level of Education	High School (12 <sup>th</sup> Grade)
Number of Household Members	5
Province of Origin	Kabul
Country of Exile	Pakistan

My family was living in Kabul City, in the Deh Afghanistan area. At that time, I was not yet born. My father would sometimes talk about their life situation back then, saying that it was so bad. At the time, my three brothers were young men and the government took them and sent them into the army. No one agreed with the decisions of the Najeebullah government, so my three brothers left Afghanistan and moved to Pakistan, through smugglers. At the time we also had 2 uncles living in the USA; they invited my brothers to the US and after some months they moved to the US—after a few years they got US citizenship.

My father was a taxi driver. He got some nerves problems; when my brothers found out about his sickness they said my father should go to the US for treatment. My family decided to move to Pakistan to prepare his documents; and also there was no other male still in the household to stay with in Afghanistan (my father had two wives, he has 3 sons from the other wife and 3 daughters from my mother), so my family moved to Peshawar, Pakistan. My family lived in the Bord area in a rented house. After some months I was born; at that time my father was in the US for treatment.

After his treatment, my father stayed there in the US till he became a US citizen. Meanwhile, my mother, my 2 other sisters, and I were living there in Pakistan. He and my brothers sent money for our expenses. We were living in a rented house; the rent of the house was 2000-5000 rupees. During exile, we had access to water, electricity, and gas at home. Day by day, I was growing up. Every four years or so, my father would come to Pakistan to visit my family. When I turned 7 years old, my mother enrolled me in a school. I studied in Pakistan till the 12<sup>th</sup> grade and graduated. We didn't have major problems in Pakistan; the positive impact of exile was improving our knowledge.

Six months before my father came from the US to visit again, my family, i.e. my mother, my 2 other sisters, and I decided that we would not let my father go back to the USA, because we didn't have any male guardian in my family—our relatives had moved back to Afghanistan, and the security situation was getting worse in Pakistan. After my father arrived, we discussed this with my father and persuaded him to stay with our family and move the family back to Afghanistan.

5 months ago we decide to come back to our country. We went to the Karkhano area where the UNHCR office is located. They scanned our eyes and prepared our documents (VRF). Then we came to Afghanistan to the Pul-e Charkhi UNHCR office. After the checking of our documents, they gave us \$500. We had spent 15,000 rupees on transportation costs from Peshawar to Kabul, and the remaining money we used on repairing our house.

After 2 months, my elder sister found a job at the MRRD [Ministry Rural Rehabilitation and Development]; her monthly salary is 8,000 AFA. I am also trying to find a good job for myself. My father is not working; my brothers send us \$200-\$300 per month for our household expenses. I receive all these incomes and administer my family's expenses. Now we are living in our own house; we have access to electricity, but we don't have access to drinking water at home, we buy our drinking water.

The cash grant which UNHCR gives to the refugees it is very little; it cannot help people. If UNHCR gives land, a home, construction materials, household goods, etc. to returnees, instead of the cash grant, it will be more useful for them.

Now our life is better than how it was in Pakistan, because we are living in our own house and don't pay for rent of the house and also my sister is earning money. If I find a good job, it will be very good and we will not need my brothers' help.

We will not go back to Pakistan, because we lost our refugee status, and also we love our country; we enjoy living in our own country.

<b>Case Study III: Kabul Province</b>	
Interviewee	"Hadia Jan"
Gender	Female
Age	27
Marital Status	Married
Ethnicity	Tajik
Highest Level of Education	Elementary School (6 <sup>th</sup> Grade)
Number of Household Members	7
Province of Origin	Kabul
Country of Exile	Pakistan

Before exile, I was living in Kabul City with my parents. At that time I was 15 years old. Our life situation was not good because there was insecurity, economic problems, and unemployment. Every day warring factions threw bombs on Kabul City. Therefore my parents decided to leave Afghanistan.

We went to Peshawar, Pakistan, because most of our relatives were living there. There we were living in a rented house. My eldest brother, with his wife and son, separated from us and went to Islamabad to live with his father-in-law's family. My father and my other brother were trying to find a job to earn money, but they couldn't find any. Then they decided that they would sell vegetables along the roadside; they started this activity and they earned 100-150 rupees daily. After some months, my brother got some sickness and after a few months thereafter died. My two other brothers were still small. My parents then decided to marry me off to an Afghan who was also a vegetable seller along the road. Because of my parents' economic problem, I accepted the marriage. Two years later my father also died, so my eldest brother then started sending money for their monthly expenses.

I was in my husband's house by then; he was also a poor man. We faced a lot of difficulties there in Pakistan; we were living in a refugee camp called Kacha Garai. We didn't have our own house there; we rented a house and the rent of the house was 1,000 rupees per month. We didn't have access to drinking water, or electricity at home, or any other social services.

My husband had refugees card in Pakistan. When the Kacha Garai Camp was closed by the Pakistani government, we moved to another area by the name of Afghan Colony in Peshawar City, but the rent of that house was very expensive, it was 2,500 rupees a month. In that house we had access to water, gas, and electricity at home. However, my husband's income was not enough to pay for the house rent and also for the electricity and gas, so we decided to come to Afghanistan.

We heard that UNHCR assists those people who return back to Afghanistan voluntarily. In May 2008, my husband went to the UNHCR check-in center in Peshawar and UNHCR provided us with our documents and we came to Afghanistan. When we reached Kabul, we went to the encashment center and they paid us \$651. We used this money on transportation and buying some necessary things for our children. It was good, because we didn't have enough money ourselves to pay for transportation and buying the things our children needed. But, in general, it is very little money; no one can (really) do something with this money.

We don't have land and a home (that we own) in Kabul City. My husband is from Logar Province; we cannot go to Logar, because there also my husband doesn't have land or a house; and he cannot find a job there, because of that we decided that we must stay here in Kabul.

Now we are living in "Chilsoton" in a rented house; the monthly rent for the house is 3,000 AFA per month, and my husband is working as daily laborer in construction, he started this job after one month, he can earn money like 6000-8000 per month. Our life is not so good, we have access to electricity and water in the house, but there are no jobs for returnees. If UNHCR wants to help refugees/returnees they can provide job opportunities for them. The little amount that UNHCR gives to refugees is useless; it cannot solve their problems. They need to have job opportunities to earn money for the long-term for their family's expenses.

<b>Case Study IV: Herat Province</b>	
Interviewee	"Mohammad Hussein"
Gender	Male
Age	40
Marital Status	Married
Ethnicity	Hazara
Highest Level of Education	Elementary School (3 <sup>rd</sup> Grade)
Number of Household Members	7
Province of Origin	Daikundi
Country of Exile	Iran

My family was living in Daikundi Province, on that time I was working as daily laborer. My life situation was very bad; there was no job vacancy and also the security situation got worse day by day. Then I decided to go to Iran for work. I went to Iran with smugglers together with my friends. We reached our destination in Iran after two weeks. We were trying to find a job there; after one month, through the help of my friends and relatives, we found jobs in the construction sector in Mashhad Province.

At the beginning my earnings were 1,000-2,000 Tomans monthly. I was living with some friends in a building under construction; we didn't pay rent there. We paid for food, medicine, clothes, etc. Day by day my earnings would increase. By the last months there, I was making 5,000-6,000 Tomans monthly; that was a good salary, and it was enough for my family expenses.

My father's family was living in Afghanistan, and also I sent 10,000-50,000 Tomans to them after 2-3 months of being in Iran via some of my relatives. Also when I could come to Afghanistan, I brought money to them. 2-3 years later, I was able to come to Afghanistan to visit my family, but when the Taliban captured Afghanistan, especially my province, they mistreated Hazara people. Then my family decided to leave Afghanistan and went to Iran, by the help of smugglers. They were 1 of 5 families that left Afghanistan and travelled together to Iran to Mashhad Province; a relative and I were already living there. We rented a house on Khawaran Street; the monthly rent of the house was 20,000 Tomans.

2 years later, I married a girl, who was one of my relatives, there in Iran. My wife was a flower maker. After we married she also worked; her income was 12,000-20,000 Tomans per month. Allah gave us 3 children there, 2 daughters, and one son. Our life situation was so good in Iran, because we had access to facilities like electricity, drinking water, clinics, hospital, etc. We had refugee cards (Amayesh 2).

Last year I suffered a serious fall and broke my legs. After treatment, my family decided to go back to Afghanistan. We were processed in Iran (for voluntary repatriation); they listed the 7 people of my family (on the VRF). Then we went to the Dogharon encashment center and received \$700 and came to Herat Province. When we got in contact with some relatives here in Herat, they advised us that if we could stay here in Herat it would be good for our family. They told us about an NGO called HELP, which assists refugees; they have vocational training centers to train refugees to get skills for jobs and they also provide rent money for those refugees who don't have the ability to pay the house rent.

We accepted and stayed in Herat Province and came to the town of Jebreel, as most of the people living here are Hazara. After a few days, my wife joined some other people at the vocational training center and learned tailoring. She is now doing tailoring; her monthly income is 2,000-3,000 AFA. I, myself, am working as a daily laborer in construction and my daily earnings are 150-200 AFA/day. My parents shell almonds; they get 20 AFA per kg shelled and earn around 600-1,000 AFA per month. Our life since returning is good; we are happy. If we can one day own a home here, we will stay in Herat Province for a long time, because we don't have land or a house in my home province—and there is no access to the kind of facilities that are available here.

<b>Case Study V: Herat Province</b>	
Interviewee	"Zainab"
Gender	Female
Age	45
Marital Status	Widow
Ethnicity	Hazara
Highest Level of Education	Illiterate
Number of Household Members	3
Province of Origin	Bamyan
Country of Exile	Iran

My family was living in Bamyan Province before exile. Back then my husband was working as a farmer. Our life was very good, but the security situation was not good anymore, so we decided to go to Iran. We went to Iran together with our relatives; we reached there after 3 weeks.

In Tehran, we lived in Waramin in a rented house, at first. The rent of the house was 25,000 Tomans per month. After 20 days my husband found a job in the garden in Esfahan, so then we moved to Esfahan Province. The employer gave us two rooms there to stay in; me and my husband were working in the garden, per month he paid us 150,000 Tomans. That money was enough for our expenses, because we were a small family and we didn't pay for the rent of the rooms. My sons were trying to learn skills. One of my relatives introduced them to a shoemaker. They started to work with him and learn shoemaking; they stayed with him and he would give them both 20,000 Tomans per month.

Our life was good there in Iran; we had access to electricity, water, gas, etc. We lived there for about 8 years, and we had refugee cards. However, last year my husband got sick and after some months he died. Then my relatives, who live here in Herat province, called me and requested us to come back to Afghanistan; they gave me information about the cash grant of UNHCR and also about help of other NGOs. We thought it over about going back to Afghanistan; my sons also agreed with this idea. 8 months ago, we went to the returnees' office and checked in; then we went to the Dagharoon encashment center and got \$300 and came to Herat Province to my relative's house in Babaji village. We spent this money on the cost of transportation and food.

A month and a half after our return, my sons opened a shop and started their shoemaking. Now we are living in a rented house; the rent of the house is 2,000 AFA per month. Our household's monthly income is about 8,000 AFA. Now we are happy, and I am waiting for DoRR of Herat to give us a piece of land in a refugees' town and we will build a house for my family.

<b>Case Study VI: Nangarhar Province</b>	
Interviewee	"Haji Sayeda Gul"
Gender	Male
Age	42
Marital Status	Married
Ethnicity	Pashtun
Highest Level of Education	Middle School (7 <sup>th</sup> Grade)
Number of Household Members	7
Province of Origin	Nangarhar
Country of Exile	Pakistan

Before we left Afghanistan, we were not living in my home district of Shirzad, because my father was a carpenter and his work was in the city, so we were living in a rented house in Jalalabad City. Back then I was studying in school. My father's income was around 6000-7000 AFA. He wanted to buy a piece of land and build a house in Jalalabad. However, when the Russian forces started coming into homes and arrested our elders, most of our neighbors went to Pakistan. We went to Sada village and stayed there for one week and then we moved to Jalojai Camp.

We tried working in construction at first. Then I apprenticed with a tailor; after one year I learned this skill. Then I, along with another tailor, opened up a shared tailoring shop. My monthly income was 1,500-2,000 rupees. My other brothers were also working. Our combined earnings for the house were about 5,000-6,000 rupees.

At that time the Pakistani government gave permission to Afghan refugees to build houses there at the Jalojai camp. We had electricity, water, everything. We had POR card and we were legal refugees in Pakistan. However, in August of 2007 the Pakistani government decided to destroy the camp. Some of the refugees moved to other parts of Pakistan and some of them came to Afghanistan; we also came to Afghanistan, because we did not have the ability to pay rent for a house in other parts of Pakistan.

In September of 2007 we came back to Afghanistan. We got \$651, because we listed 7 people (on our VRF). We spent the money on transportation costs and other necessary things like food and rent for a house.

After one month of being back, I opened a tailoring shop in Jalalabad City. The rent of the shop is 6,000 rupees per month. I can earn up to 15,000 AFA from this activity. My family and I are living in a rented house; we have access to water and electricity. I owe 70,000 AFA to my relatives. I also need money to invest into my business.

Case Study VII: Nangarhar Province	
Interviewee	“Mir Agha Gulchin”
Gender	Male
Age	55
Marital Status	Married
Ethnicity	Pashtun
Highest Level of Education	Institute of Higher Learning (14 <sup>th</sup> Grade)
Number of Household Members	20
Province of Origin	Nangarhar
Country of Exile	Pakistan

Before exile I was living in my home district of Chaparhar, in Gandi Bagh village. At the time, I was a teacher. Our living situation was average; we were living in our own house, my monthly salary was 2,000 AFA, and also the government gave us coupons which gave us flour, rice, tea, soap, oil, peas, etc.—that helped us a lot. But after the coup of 7<sup>th</sup> of Sawr, the security situation got worse day by day. I was a member of the Afghan Melat (Political) Party. The Communist Party, which had the power of government in Afghanistan, didn’t want other parties to be active and arrested members of other parties, so I was compelled to leave Afghanistan.

I, along with a friend, went to Pakistan from Tira and through the Safed Koh smugglers’ route. The smuggler took us to Ali Majed and we stayed there for one month. Back then just the Mowlawi Khales families were migrants there. Then day by day the quantity of refugees increased; all of them were members of Hezb-e Islami and Jamiat (Parties).

When the Russian forces occupied, I moved the rest of my family to Pakistan as well. There was an American organization that came to Pakistan to help Afghan refugees. We were living in a rented house in the Kababian area of Peshawar; there was no electricity, no water, and no other facilities. Then, through the help of America and their arrangement of the Mujahidin groups, they started assisting refugees. They set up 2 places where Afghan refugees could find shelter in Peshawar; one was Kacha Garai Camp and the second was Naser Bagh Camp. When Afghan people would come to Pakistan, the Pakistani police would send them to these two camps.

The Mujahidin groups sent youths back to Afghanistan for Jihad, and in exchange would help their family with food and money. I also worried about Islamic parties, because I was a member of Afghan Melat Party. To earn money for my family’s expenses, I opened a small shop for my sons there in Kacha Garai Camp. With time business got better; our household income during that time was 3,000-4,000 rupees a month, which was so good for my family’s needs.

The main problem was a political one; I was always under pressure from the Pakistani government and the Mujahidin groups. The other problem was economic in nature. My sons studied only till 6<sup>th</sup> to 9<sup>th</sup> grade; because of our economic situation they could not continue their studies. They had to work in the shop to earn money for our family.

We had POR cards, but when the Pakistani government closed the Kacha Garai Camp, they deported us from Pakistan by force. When we came back we received \$93 per person; we

were 20 people listed on the form (VRF), so we got \$1,860. I divided some of the money among my 3 sons. We spend the money on paying for transportation and then our food expenses until my sons found jobs. Upon return, our main needs were finding housing, food, and work. A month after returning, my sons started a business selling fresh fruits on a cart. Their monthly income is about 8,000-9,000 AFA which is very little; it is not enough for the expenses of my big family.

Now we are living in Angoor Bagh area of Jalalabad, in a rented house. The monthly rent of the house is 2,000 AFA. The difficulties we are currently facing are: not owning a house; not having enough money; and the health and education facilities are inadequate.

When it comes to the administration of the cash grant, my suggestion is that the foreigners should directly pay this money to Afghan refugees, because I heard that the Afghan staff is corrupt; they don't pay the exact amount to refugees; sometimes they change the dollars into kaldar (rupees); or even switch a \$100 bill for a \$1 bill and then give it to refugees.

Most of the refugees still in exile don't want to come back to Afghanistan, due to the political and security problems, but also their own private problems.

<b>Case Study VIII: Nangarhar Province</b>	
Interviewee	"Rozi Khan"
Gender	Male
Age	35
Marital Status	Married
Ethnicity	Pashtun
Highest Level of Education	Elementary School
Number of Household Members	6
Province of Origin	Nangarhar
Country of Exile	Pakistan

Up to when we went into exile, I was living in my home village; I was 17 years old. My father was working as a dried fruits trader. When the security situation got worse and civil war reached our village, we decided to leave the village and migrated to Pakistan. At that time my family's size was 18 people; 12 sisters, 4 brothers and my parents. We went to Pakistan together with 5 other refugee families along the Gulokoh path used for smuggling. After 3 days we reached Gulabad, which is by Peshawar, Pakistan. We went there because our relatives were living there; that area is located next to the Kacha Garai refugee camp. After 2 months, through the help of my relatives, I found a job in a hotel. My monthly salary was 1,000 rupees. My father and other brothers opened a shop there in the Kacha Garai refugee camp. Combined our household monthly income was about 5,000 rupees, which was not enough for all of my family's expenses. I tried to find another job with a good salary; then I found a job at a brick kiln. There my salary was 3,500-4,000 rupees per month. Then our monthly income was about 15,000 rupees. We had a good life situation in Pakistan, and that money was good enough for us. We had access to electricity, but we didn't have access to drinking water, we bought drinking water.

16 years ago I got married in exile I had 6 children, but I lost 2 of my children in exile, and also my mother got sick and then died there in Pakistan. I also have a problem with my stomach, and got operated twice.

We had refugee cards there in Pakistan, but when the Kacha Garai camp was demolished by the government of Pakistan they removed us by force. Then the (UNHCR VRP) team came to the camp and provided the documents (VRF) and we left Pakistan. Then we came to the encashment center in Mohmand Dara and got \$558 from UNHCR. We used this money on transportation costs and the reconstruction of my house; we also got 2 windows and 2 doors and other materials from UNHCR. We resettled in my home village.

After one month I found a job at a brick kiln in Deh Sabz District of Kabul Province. My salary was 10,000 AFA per month. This income was so good for the expenses of my family. I worked there until Ramadan of this year, but then the owner closed the kiln and I came back to my village. I was jobless for 3 months, then I found another job at the Babai Wali Hotel in Jalalabad City. Now I am a cleaner and my monthly salary is 6,000 AFA. It is not a good salary; and it is not enough for the expenses of my household, because I also owe 40,000 AFA to my relatives.