

Terms of Reference (ToR)

for

Hiring an Individual External Consultant for the Project Completion Report (PCR) of the Pathways to Prosperity of Extremely Poor People-European Union (PPEPP-EU) Project

1.0 Background of the Project

PKSF launched the Pathways to Prosperity for Extremely Poor People (PPEPP) project in 2019 with the support from the European Union (EU) and the United Kingdom's Foreign, and Development Office (FCDO), formerly DFID. Following a funding cut and the early closure of the PPEPP project in March 2023, PKSF, with financial assistance from the EU, initiated a three-year programme, titled Pathways to Prosperity for Extremely Poor People-European Union (PPEPP-EU). Additionally, the PPEPP-EU project has been extended as a No-Cost Extension (NCE), to September 2026, bringing the project's overall duration to four years. PKSF implements the PPEPP-EU project through 19 partner organizations (POs) in 145 climatically vulnerable unions across 34 Upazilas in 12 districts in the north-western, south-western, and north-eastern regions of Bangladesh.

The PPEPP-EU project shifts from the traditional 'graduation' approach to the 'pathways out of poverty' approach, addressing poverty through a package of livelihoods, nutrition, inclusive finance, and community mobilization interventions. The project also integrates climate resilience-building, disability inclusion, and women's empowerment. The inclusive finance initiative of the project includes grants and appropriate loans to the targeted extremely poor households. It contributes to multiple Sustainable Development Goals (SDGs 1, 2, 3, 5, 10, and 13) and the EU's priorities for Bangladesh.

The overall objective of the PPEPP-EU project is to contribute to poverty reduction and resilient livelihoods in the targeted regions of Bangladesh. **Detailed information about the project is provided in Annex-I.**

2.0 Rationale for preparing the Project Completion Report (PCR):

As the project nears completion, PKSF intends to prepare a Project Completion Report (PCR) to assess the overall performance of the project, document its achievements, lessons learned, and challenges, and provide evidence-based recommendations for future programmes and policy dialogue. This ToR has been prepared for hiring an individual external consultant to prepare the PCR.

3.0 Specific Objectives of the PCR:

- 3.1 Assess the extent to which the PPEPP-EU project achieved its objectives and expected results, as set out in the Logical Framework, with particular attention to sustainable graduation of extremely poor households through the "Pathways out of Poverty" approach.
- 3.2 Evaluate the project's performance in terms of relevance, effectiveness, efficiency, sustainability, and impact. drawing on evidence from the impact evaluation, Results-Based Monitoring (RBM), case studies, and field-level consultations.

- 3.3 Identify key achievements, good practices, and lessons learned from project design, implementation, monitoring, and adaptive management that are relevant for future extreme poverty interventions.
- 3.4 Identify gaps, constraints, and implementation challenges, and draw implications for policy and the design of future extreme poverty reduction programmes.
- 3.5 Assess Value for Money (VfM) by relating project costs to outputs, outcomes, and impacts, and by comparing efficiency and effectiveness with similar extreme poverty programmes.

4.0 Scope of Work:

The Project Completion Report (PCR) will assess the impact, performance, and learning of the PPEPP-EU project, focusing on results achieved, implementation effectiveness, and implications for future programming. The PCR will be structured around the following two issues:

4.1 Project Impact and Outcomes

Assess the impact of the project on extremely poor households, including intended and unintended outcomes (positive or negative), using evidence from the impact evaluation, Results-Based Monitoring (RBM), case studies, and field-level consultations. The assessment will examine the project's contribution to poverty reduction and pro-poor economic growth, particularly through increased income, employment, and livelihood resilience.

4.2 Assessment of Project Design, Implementation, and Learning

Evaluate the project's design, implementation, monitoring and evaluation (M&E), and learning, with specific attention to:

- 4.2.1 Sustainable graduation from extreme poverty through the "Pathways out of Poverty" approach within the framework of the PPEPP-EU project's Theory of Change (ToC) and Logical Framework. PPEPP-EU adopts a pathways approach that recognizes heterogeneity among extremely poor households, with varying constraints, capabilities, and graduation trajectories. Accordingly, support packages are tailored and need-specific rather than standardized or sequential. This approach builds on lessons from PKSf-implemented programmes, including PRIME and LIFT (FCDO-funded) and UPP-Ujjibito (EU-funded), as well as earlier poverty reduction initiatives. The assessment will examine how the three pathways articulated in the ToC (Annex-II) contribute to sustainable graduation from extreme poverty.
- 4.2.2 Contribution of project components: livelihoods; nutrition and primary healthcare; inclusive finance, and community mobilization and special focus areas, disability inclusion, women's empowerment and gender equality, and disaster and climate resilience. The analysis will assess how these elements support the shift from a traditional 'graduation' model to a 'pathways out of poverty' approach, identifying good practices, challenges, gaps, and lessons learned.
- 4.2.3 Alignment with and contribution to PKSf's mission, particularly in expanding opportunities for decent employment and sustainable livelihoods through integrated pro-poor interventions.
- 4.2.4 Institutional performance and sustainability of Partner Organizations (POs), including capacity development, responses to implementation and operational challenges, progress toward operational self-sustainability (OSS), and contributions to programme sustainability.

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- 4.2.5 Management, risk management, and governance practices adopted by PKSf and POs in implementing PPEPP-EU, including the effectiveness of M&E, knowledge management, and the internal RBM system in supporting adaptive management and results delivery.
 - 4.2.6 Collaboration and linkages with public and private service providers, including the nature, measurement, and evidence of effective partnerships.
 - 4.2.7 Key implementation and monitoring challenges, including issues related to impact achievement, sustainability, and mainstreaming PPEPP-EU approaches within existing PKSf and PO programmes.
 - 4.2.8 Lessons learned relevant to PKSf's future programme design and implementation, including how adaptive learning was incorporated during project execution to improve delivery.
 - 4.2.9 Actionable recommendations for PKSf, the European Union, other development partners, government agencies, and civil society organizations for similar future interventions.
 - 4.2.10 Value for Money (VfM) assessment, including a review of project costs and a basic VfM framework and methodology, with comparative insights from earlier extreme poverty programmes such as Programmed Initiatives for Monga Eradication (PRIME), Ultra Poor Programme (UPP)-Ujjibito, Chars Livelihood Programme (CLP) and Targeting the Ultra Poor (TUP).

5.0 Methodology

The objectives of the PCR will be addressed through a mixed-methods approach, combining quantitative analysis (impact evaluation, Results-Based Monitoring [RBM] reports and secondary data analysis from projects) and qualitative inquiry (case studies, stakeholder interviews, and field observations). The analysis will explicitly examine how project components and cross-cutting themes contributed to sustainable graduation outcomes across different poverty pathways, ensuring coherence between the Scope, Methodology, and Evaluation Framework of the PCR.

6.0 Desk Review

The consultant will conduct a comprehensive review of project-related documentation, including but not limited to:

- Logical Framework and Theory of Change
- Project documents and signed contracts
- Implementation plans and Standard Operating Procedures (SOPs)
- Narrative, progress, and monitoring reports
- Impact evaluation reports, RBM data, and other relevant analytical outputs

6.1 Inception Phase

A detailed methodology, including evaluation questions, analytical framework, sampling strategy, data collection tools, and limitations will be presented by the consultant for discussion with PKSf and the EU. Subsequently, the consultant will submit an inception report at the inception stage for review and approval by PKSf and the EU.

6.2 Stakeholder Consultations and Primary Data Collection

The consultant will undertake structured consultations and interviews with key stakeholders, including:

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- i. Project Implementation Unit (PIU) staff of PKSf and Partner Organizations (POs) across all four PPEPP-EU operational regions;
 - ii. Primary interviews and discussions with PPEPP-EU beneficiary households, as well as relevant public and private service providers engaged under the project;
 - iii. Field-level PO staff and institutional stakeholders involved in project implementation and monitoring;
 - iv. Selected local and national government representatives, identified in consultation with PKSf and the POs;
 - v. EU representatives responsible for project oversight, quality assurance, financial and physical monitoring, and knowledge management.

6.3 Field Visits

The review will include field investigations in selected PPEPP-EU working areas, covering:

- The Northwest region,
- The Southwest coastal belt,
- The Haor region in the Northeast, and
- Ethnic communities in the Northwest.

Field visits will be used to validate findings, document pathways-specific outcomes, and capture contextual factors influencing sustainable graduation from extreme poverty.

6.4 Validation and Finalization

Findings will be validated through a consultative review process involving PKSf and the EU, following these steps:

- i. Submission of a draft PCR by the consultant, followed by presentation and discussion with PKSf and the EU;
- ii. Agreement on required revisions, clarifications, additions and deliver final presentation;
- iii. Finalization of the PCR based on joint agreement among the consultant, PKSf, and the EU.

7.0 Qualifications of the consultant:

The educational qualification and the experience of the consultant will be as follows:

- i. Master's in Economics/Agricultural discipline/ Business Administration/ Development Studies/ Finance/ Development Economics. PhD will be an added advantage.
- ii. Proven experience in preparing project completion reports/analytical reports/evaluation of the development projects, particularly in the context of livelihoods, nutrition, financial services, climate resilience or poverty reduction;
- iii. At least 8 years of experience in evaluating projects focused on financial and technical services for sustainable extreme-poor development and pro-poor policy advocacy.
- iv. Have at least three publications in the form of journal articles/book chapters/client-specific research reports in the areas of poverty, livelihood, extreme poverty, microfinance, micro-enterprise, and development. The publications have to be peer-reviewed.

- v. Should have prior experience in working with the projects funded/managed by the development partners i.e. EU/FCDO/World Bank/ IFAD/UN agencies.
- vi. Expertise in data analysis and the ability to produce analytical reports.
- vii. Experience in working with government institutions and NGOs/MFIs, and sensitivity in working with women and marginalized community members.

8.0 Time frame

The total duration of the study would be 3 months (90 days) with 45 effective working days for the assignment from the signing of the contract.

9.0 Expected Deliverables and Timeframe

The consultant is required to submit the following deliverables:

Table 1: Deliverables

SL No	Deliverables	Nature of the deliverables	Time of submission
1	Inception report with details on background, general and specific objectives, scope of the study, study planning matrix, methodology including selection process of study locations and respondents, tentative number of respondents according to different categories, information collection tools, and work plan. The number of pages should not exceed 12 pages.	Two hard copies and one electronic copy	Within two weeks after signing the contract
2	Draft report The number of pages should not exceed 50 pages (excluding the annex)	Two hard copies and one electronic copy	Within eight weeks after signing the contract
3	Final report The number of pages should not exceed 50 pages (excluding the annex)	Four hard copies and one electronic copy	Within twelve weeks after signing the contract

10.0 Language

The report should be in English using MS-Word compatible software in standard Times New Roman 12 font.

11.0 Coordination

PKSF's Project Implementation Unit (PIU) of the PPEPP-EU project will coordinate the assignment.

12.0 Mode of Payment

- Ten percent (10%) of the fees will be released after submission and acceptance of the Inception Report by PKSF.
- Forty percent (40%) of the fees will be released after acceptance of the draft report by PKSF.
- The final installment of Fifty percent (50%) would be released after acceptance of the final report by PKSF.
- VAT, IT etc., as applicable, will be deducted at source by PKSF as per NBR (National Board of Revenue, Bangladesh) rules.

13.0 Duty of Care

Responsibility for the well-being of the supplier's Personnel rests solely with the Service Provider. The Service Provider will be responsible for the provision of suitable security arrangements for them and any business property/equipment that will be used during the course of this assignment.

14.0 Ownership

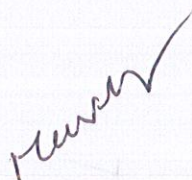
PKSF will reserve the right to all the data and information generated for this review, and this data/information must not be used for any other purpose without prior permission of PKSF.

15.0 Recipients

The recipients of the service are PKSF, the EU, and the relevant stakeholders. The report will be shared more widely as appropriate.

16.0 Conclusion

Following the terms and conditions of this ToR, the consultant will prepare an informative and analytical report and submit it to PKSF within the stipulated timeframe as mentioned in the timeline.



Annex-I: Project Description

Pathways to Prosperity for Extremely Poor People-European Union (PPEPP-EU) Project

Context:

In continuation of its three decades-long development efforts, the PKSF initiated the 'Pathways to Prosperity for Extremely Poor People (PPEPP)' programme initially with joint funding from the UK's Foreign, Commonwealth & Development Office (FCDO; formerly DFID) and the European Union (EU). Currently it is being implemented with solely funding from EU as PPEPP-EU. The PKSF, the core implementing entity of the programme, has been implementing the programme activities through some selected Partner Organisations (POs) who have long been working for poverty reduction. The project, builds on the experiences of previous extreme poverty reduction projects in Bangladesh, including PRIME and UPP-Ujjibito implemented by the PKSF with funding from the DFID and the EU respectively. It also draws experiences from a number DFID-funded ultra-poor programmes in Bangladesh such as Chars Livelihood Programme (CLP), Economic Empowerment of the Poorest (EEP), and Targeting the Ultra Poor (TUP).

The focus of PPEPP project is thus shifts away from 'graduation' to 'pathway out of poverty' by applying more tailored support package including grants, soft loans, technical support, skill development training, nutrition and primary health care with a longer intervention time frame as in case of PRIME. PPEPP evolves the poverty graduation model, building on what works while addressing its limitations. It adds additional features to: address barriers that stop the poorest people pulling themselves out of poverty; make it more cost effective; and, ensure that it is sustained here after eventual exit of development partners. The PPEPP project has been supporting extremely poor people (primarily targeting women) to connect to mainstream economic growth and jobs. It's been also building the national systems that are needed to support public and private investment in extreme poverty projects and basic services like health and social protection. Figure 1 shows the strategies for poverty alleviation adopting pathways to prosperity approach over the traditional graduation model.

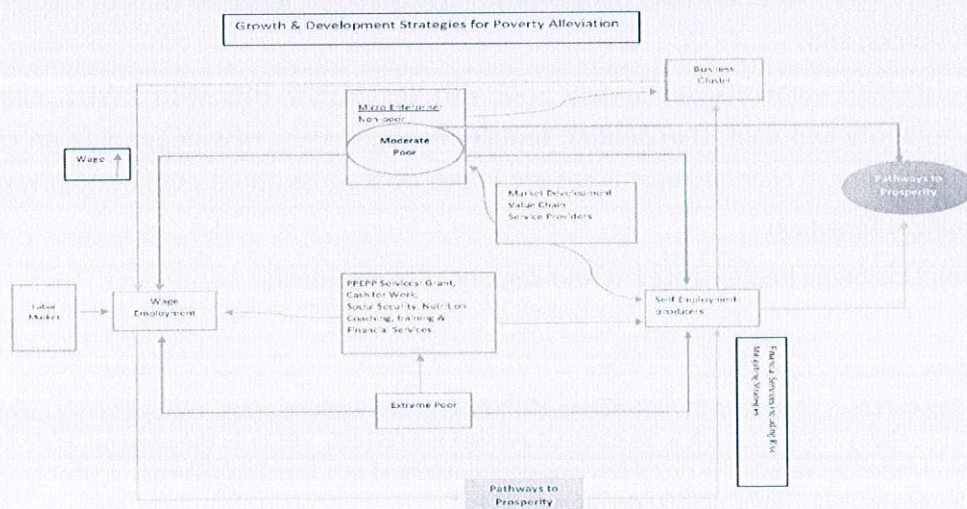


Figure 1: Growth and Development Strategies for Poverty Alleviation

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The Pathways to Prosperity for Extremely Poor People – European Union (PPEPP-EU) project will support extremely poor people to connect with mainstream economic growth and jobs. Overall and specific objectives of the PPEPP-EU project are as follows:

a) Overall objective (i.e. Impact)

To contribute to poverty reduction and resilient livelihood in the target regions of Bangladesh.

b) Specific objectives (i.e. Outcomes)

- i. **Outcome 1:** Sustained livelihoods and income generation amongst target households (SDG1, SDG2 and SDG13)
- ii. **Outcome 2:** Improved nutritional wellbeing of the households, especially women and children, in target areas (SDG2 and SDG5) ;
- iii. **Outcome 3:** Improved access to social and nutrition sensitive agriculture extension services amongst the target communities (SDG2)

Project Duration:

The PPEPP project started in 2019 jointly funded by the FCDO and the EU till the termination of the EU-FCDO contract in September 2022. The PPEPP-EU is having been in action since October 2022 and will continue till September 2026.

Expected Key Results

The programme will deliver the following indicative key results:

1. Enable 215,000 extremely poor HHs (about 860,000 people¹) to exit from extreme poverty and ensure food security for 129,000 extremely poor HHs (516,000 EP people);
2. 307,000² pregnant and lactating women, adolescent girls, children U-5 have better nutrition and reached with a package of nutrition-related interventions;
3. 107,000³ women experience a significant change in their awareness, social status and ability to make decisions about their lives;
4. 307,000⁴ extremely poor people have increased resilience to climate change and other shocks; and
5. 107,000⁵ vulnerable extremely poor HHs (especially HHs with PWDs, elderly, ethnic minority and dalit, transgender, female-managed HHs, HHs depending on child labour, HHs living in char and haor areas etc.) have awareness about public and private services.

Geographical Targeting:

The project is being implemented in four regions of Bangladesh.

¹ According to census conducted by PKSF during 2020-21 in PPEPP working areas, average family members of extreme poor household is 3.9, while the national average is 4.06 (BBS, 2018). In the present PPEPP-EU project, we therefore used average family size of extreme poor household as 4.0 members/extreme poor household.

² Considering about 35.7% of 215,000 extreme poor HHs

³ Considering about 12.5% of 215,000 extreme poor HHs

⁴ Considering about 35.7% of 215,000 extreme poor HHs

⁵ Considering about 12.5% of 215,000 extreme poor HHs

- **North West:** the riverine chars and districts along the banks of the Teesta and Brahmaputra rivers;
- **South West Coastal Belt:** that faces periodic cyclones, tidal surge, salt water intrusion and chronic waterlogging; and
- **Haor region in the North East:** that has a specific ecosystem, presenting a very limited range of livelihood options as it remains under water for nearly six months every year.
- Some selected areas with high concentration of **ethnic minorities**.

Project Implementation Unit (PIU):

PKSF has a PIU located in the PKSF Bhaban, Dhaka. At the field level, the project is being implemented by PKSF's Partner Organizations (POs). POs are entrusted with the responsibilities of selection of participants and implementing of field level project activities. The project has involved 19 POs for implementing the project in the working area.

Components of PPEPP-EU:

The overall project is made up of three thematic components: a) Resilient Livelihoods, b) Nutrition & Primary Healthcare, and c) Inclusive Finance. In implementation of these thematic components, special focus will be given on Women Empowerment Leading to Gender Equality, Disability Inclusion and Disaster & Climate Resilience. These components are integrated through different services as shown in **Figure 2**.

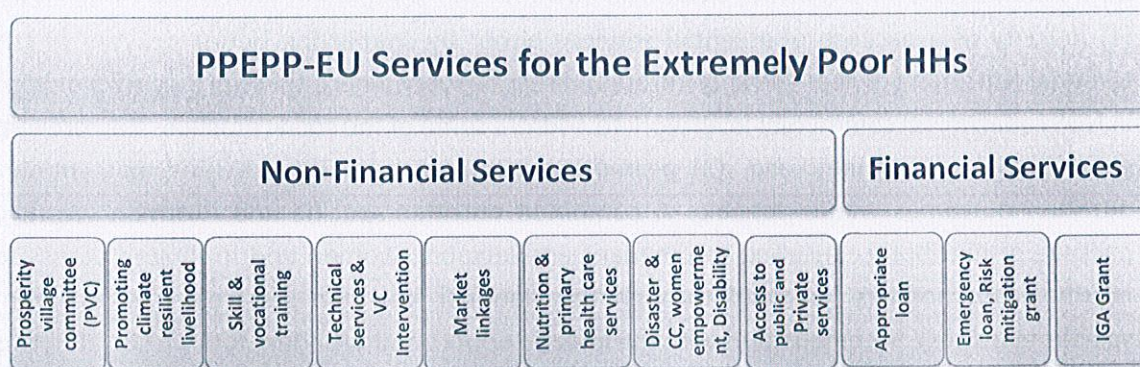


Figure 2. Integration of different components of PPEPP-EU through different services

- a) **Resilient Livelihood Component:** The objective of the Resilient Livelihood component is to connect extremely poor people with economic growth and put them on a sustained path out of poverty. It is providing access to a flexible menu of products, including grants and soft loans with relevant skills training, over a longer time frame, enabling the target households to develop a livelihood strategy that supports larger and more sustained income and consumption gains and reduces vulnerability to shocks. This component is supporting people to better adapt to a changing climate, be better prepared when a disaster strikes, and be better able to respond once a disaster has struck. The expected output of this component would be developed livelihoods options resilient to shocks and stresses, in alignment with relevant sector policies (e.g., the NSSS).

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Building resilience of individual vulnerable members will primarily be achieved by promoting their livelihood diversification, asset and savings creation. Livelihood diversification includes the creation of sustained and multiple income sources by combining farming IGAs and off-farm activities (promoted through off-farm training and vocational training) for the PPEPP member households. IGA-mapping is used for selecting appropriate livelihood in vulnerable areas.

Value Chain Development (VCD) is an integral part of the livelihood component. It makes interventions in the local economic activities through value-chain analysis to add value, improve production models, increase productivity, improve quality of products, create better market for products and establish distribution channels to better integrate IGAs with micro-enterprises or higher level of economic activities. It is building technical and business skills of member HHs and generating potential enterprises with higher-level economic returns and employment attributes such as 'micro-enterprises' to create local-level employment to enhance household income. Value chain intervention is also providing support in marketing of products produced by project members at the local level and develop linkage with the trading houses, wholesalers, and other traders at local level. For the programme participants, it will ensure better prices, which in turn will increase.

b) Nutrition and Primary Healthcare Component: The objective of the Nutrition and Primary Healthcare component is to improve nutritional status and early child development, and to lay the foundation for productive work. The nutrition sub-component focuses on three areas: (1) delivery of a package of essential services either by supporting better delivery of the National Nutrition Services (NNS) or through direct delivery where there are significant gaps in NNS capacity; (2) community-level work to address some of the social practices that prevent good nutrition outcomes; and, (3) promoting income-generating activities that support nutrition outcomes where possible. A combined nutrition-specific and nutrition-sensitive package of nutrition counselling to pregnant and lactating women and facilitated access to nutrition commodities (provided through the National Nutrition Services) (i.e. nutrition-specific activities), in combination with livelihood support and broader work on social norms (i.e. nutrition-sensitive activities), have a significant impact on maternal nutrition, on infant and young child feeding practices and, ultimately, on childhood stunting. Primary healthcare services is also be an integral part of the nutrition programme for better nutrition outcomes and preventing income depletion of extremely poor HHs. The expected output of this component would be improved nutrition practices sustained through GoB and Market Systems.

c) Inclusive Finance Component: The PPEPP-EU provides access to a flexible menu of financial products, including grants and soft loans with relevant skills and services. Target members have access flexible microcredit/appropriate finance, seasonal loan and enterprise loan, and technical services, leading to vertical integration of IGAs ranging from extended economic activities to micro-enterprises. Depending on the financial ability of the member and type of livelihood, financial services could be a mix of initial grant and loan followed by an appropriate loan alone. As savings is an integral part of appropriate finance programme, PPEPP-EU

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members are expected to save and accrue assets during their four years of PPEPP-EU journey out of poverty.

Extremely poor HHs who are willing to change their lives may receive a PPEPP-EU grant in combination with a soft loan. The precise ratio of grants to loans is likely to vary from individual to individual, type of IGA and group to group. Besides, they may have access to emergency loan to meet their immediate health or education or sanitation-related emergency needs. They may also receive risk mitigation grant in the event of death or fatal accident (loss of organ) or severe illness (SAM children, caesarean delivery mother, fatal diseases, severe disability, etc.) of members of EP HHs.

d) Special Focus Areas: In addition to the resilient Livelihoods, Nutrition & Primary Healthcare, and Inclusive Financing components, the project has three special focus areas: i) women empowerment leading to gender equality, ii) disability inclusion, and iii) disaster and climate resilience.

Women empowerment leading to gender equality: To tackle gender inequality and the particular challenges faced by extremely poor women and female-headed households, the PPEPP-EU primarily works to promote their economic status. However, evidence suggests economic status alone is often insufficient to change the prevailing attitudes that constrain women and girls' life choices and control over their resources. The PPEPP-EU focuses on gender relations within the household and community, involving men and women. This includes behaviour social change communication (SBCC) activities with men, women, religious and community leaders to influence attitudes and practices. The project targets women as the primary participants of the resilient livelihood component but with a much greater emphasis on facilitating dialogues within households in choosing and managing assets, economic activities, or micro-enterprises. It also includes a robust monitoring and learning system to test new approaches and adjust them as necessary.

Disability Inclusion: The PPEPP-EU is addressing the specific needs of extremely poor people with disabilities. Where possible, livelihoods opportunities have tailored to their particular capabilities. The PPEPP-EU is working for increase access to targeted social safety nets, where needed, to ensure basic needs are met, and specific services are provided. Community-level works build social support for people with disabilities and enhance local advocacy for increased access to essential services. The project disaggregates data to track inclusion and outcomes for people with disabilities to track progress and expand the most effective interventions. Delivery partners has been trained in the necessary data collection techniques, including the use of the Washington Group questions.

Disaster and Climate Resilience: Based on available evidence and planned geographical focus, 75% of the targeted households are at a high risk of current and future climatic shocks. All of the livelihood and market development support and linked transfers of PPEPP-EU are eligible for climate finance as these provide the basic economic and social foundation for extremely poor people to adapt to a changing climate. A more flexible menu of livelihoods assistance are being provided to support for migration in those cases where prospects for livelihood and economic development *in situ* are untenable.

Target population and selection process:

PPEPP project is maintaining inclusiveness in targeting its members covering all types of extreme poor in its working area. In this regard, PPEPP has been designed Participatory Extreme Poor Identification Technique (PEPIT) which is a combination of FGD and social mapping for primary selection of EP HHs. It was verified and revised with 5% sample checking. Also, transect walk provided the opportunity to identify if any potential EP HH has been missed during PEPIT. The primary selected HHs were undergo with census for collecting information on their socio-economic characteristics. After verification and validation of information, the final EP HHs has been identified as project participants. Overall extreme poor HHs selection process is presented in figure 3. The following proxy indicators are used to determine EP HHs.

Proxy Indicators:

Primary indicators

- 1) **Occupation:** wage-based (manual labour) earning
- 2) **Land-holding:** HHs having land less than certain amount or landless or live in government land (Northern area-10 decimals, Southern area-20 decimal, Haor-10 decimal)
- 3) **Income:** per capita monthly income of BDT 2,045 maximum (Satkhira-1869 Tk., Patuakhali and Bhola-1982 Tk., Rangpur-1913 Tk., Kishreganj-2045 Tk., Sunamganj-1966 Tk.)
- 4) **Housing type:** mostly thatched/tin roofed and mud floor
- 5) **Earning member:** single earner or no earner

Complementary indicators

- 1) Female-headed households
- 2) Households dependent on child labour
- 3) Households with consumption rationing
- 4) Households with disable member(s)
- 5) Households of ethnic minority, Dalit, and third gender

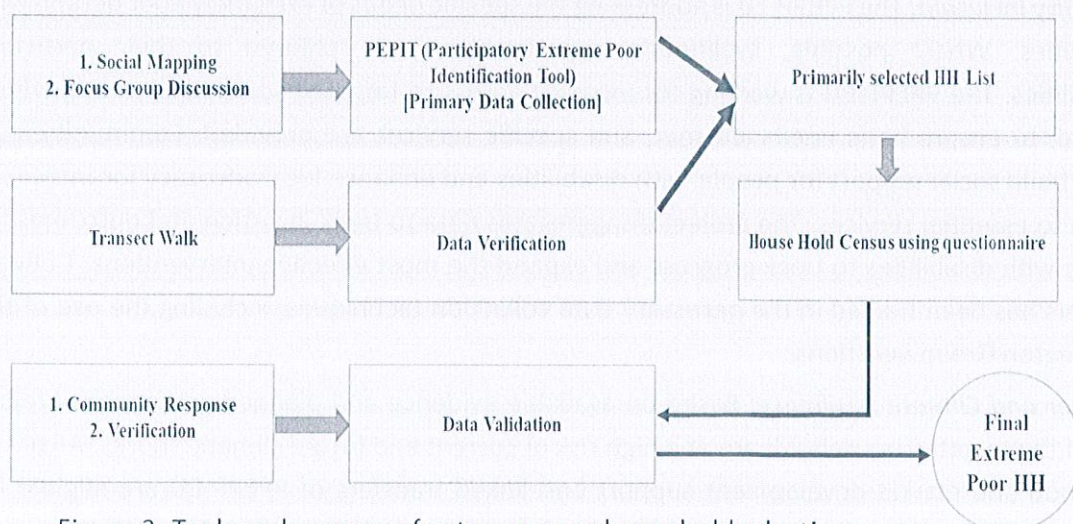


Figure 3: Tools and process of extreme poor household selection

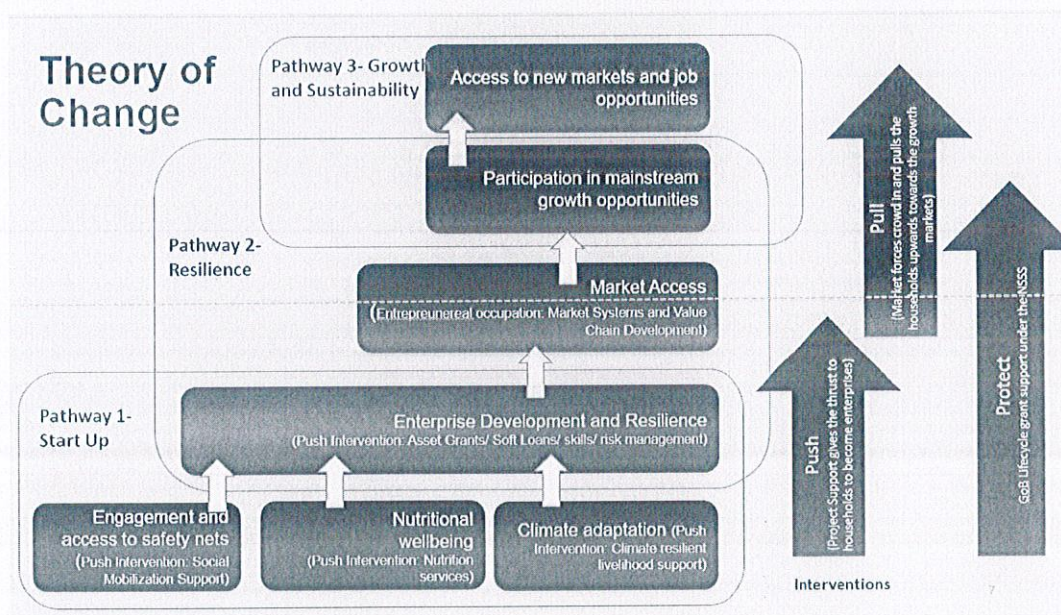
Annex-II: Theory of change (ToC)

Theory of change of the PPEPP-EU project

PPEPP-EU follows the pathway out of poverty approach to lift extremely poor households out of poverty. This approach considers extremely poor households as heterogeneous groups with varying needs and capacities to graduate from poverty. As such, the support packages provided by PPEPP-EU are not standard and sequential but are tailored and need-specific. The pathways approach builds on lessons from the FCDO-funded PRIME and LIFT programme, EU-funded UPP-Ujjibito Programme, and several other early-generation poverty alleviation programmes that was implemented by the PKSf since the early 2000s. As shown in Figure 4, the theory of change (ToC) of PPEPP-EU approaches beneficiaries through three pathways before they sustainably graduate out of poverty.

Pathway 1- Start-Up: The start-up phase involves a series of push interventions to support the beneficiaries in having increased access to government safety nets, improving their nutritional well-being, and enhancing their climate adaptation capacity through climate-resilient livelihood support. The beneficiaries then receive enterprise development support through asset grants, soft loans, or flexible micro-credit.

Figure 1: The Pathways out of Poverty: PPEPP-EU's Overarching Approach



Pathway 2- Resilience: Once the beneficiaries start to expand and diversify their income-generating activities, a series of pull interventions connect them to the markets so that they can integrate into mainstream market opportunities.

Pathway 3- Access to new markets and job opportunities: When the villages supported by PPEPP-EU begin to prosper, new opportunities unfold due to economies of scale. The project supports the creation of trade centres, aggregators or off-takers, and input sellers to facilitate a wider number of households from the targeted areas' participation in economic activities.

