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Item 7 (a) of the provisional agenda

Poverty statistics – for discussion and recommendations**Outcome of the in-depth review of poverty statistics****Note by the secretariat***Summary*

This note provides information on the outcome of the in-depth review of poverty statistics, conducted by the Bureau of the Conference of European Statisticians. The review was held in November 2012. The Bureau discussed follow-up work on poverty statistics in February 2013.

The in-depth review was based on a paper by the State Statistics Service of Ukraine and Eurostat. Considering the many challenges in poverty measurement, the Bureau decided to organize a seminar on the topic in 2013. The draft agenda of the seminar will be presented to the Conference in document number ECE/CES/2013/7/Add.1.

The Conference will discuss poverty measurement on 12 June 2013 to provide input from all Conference of European Statisticians members for the preparation of the seminar.

I. Introduction

1. The Bureau of the Conference of European Statisticians (CES) reviews each year selected statistical areas in depth. The purpose of the reviews is to improve coordination of statistical activities in the region of the United Nations Economic Commission for Europe (UNECE), identify gaps or duplication of work, and address emerging issues. The review focuses on strategic issues and highlights concerns of statistical offices of both a conceptual and coordinating nature.
2. At the November 2011 meeting, the CES Bureau selected statistics related to poverty measurement for an in-depth review. The review was conducted at the November 2012 meeting of the Bureau on the basis of the paper by the State Statistics Service of Ukraine and Eurostat. The in-depth review paper is available at: www.unece.org/fileadmin/DAM/stats/documents/ece/ces/bur/2012/november/4.pdf
3. The Bureau also considered written comments on the paper by the World Bank and the secretariat. The discussion on follow-up work was held at the February 2013 meeting of the Bureau.

II. Conclusions of the in-depth review paper

4. The paper gave an overview of the methodological issues underlying poverty measurement. It presented two case studies: one at international level (Eurostat) and the other at national level (Ukraine).
5. Based on the experience in Ukraine and in the European Union, the following conclusions and recommendations were made in the paper:
 - (a) It is necessary to develop the concept of poverty to include absolute, relative, structural, subjective and combined approaches;
 - (b) The consensus deprivation approach, or measuring poverty by living conditions, is a promising direction for improving research of poverty issues in Ukraine;
 - (c) It is necessary to develop a special technique for comprehensive assessment of the impact of targeted social aid system on poverty;
 - (e) Given the complexity of approaches used in poverty measurement, a unified criterion (approach) will be needed for international comparisons. This criterion could be adjusted for different levels of human development and groups of countries;
 - (f) An important direction for developing poverty statistics is to improve the reliability of poverty measurement on the basis of indirect assessment methods, including for small areas;
 - (g) The European Union (EU) Survey on Income and Living Conditions (EU-SILC) have become the reference instrument to measure poverty and social exclusion in the EU. Its key features work well but some areas are currently under review in order to further improve the survey while ensuring a maximum of stability when delivering key policy indicators;
 - (h) The EU experience shows the importance of measuring poverty in modern societies beyond the traditional absolute monetary and consumption criteria.

III. Summary of the Bureau discussion

6. At the November 2012 Bureau meeting, the following points were raised in the discussion:

(a) The Bureau recognised that the paper could have reflected better the international work in this area. Additional issues that could have been covered are: measuring longitudinal poverty, dynamics of poverty, subjective measures, and measuring poverty by regions and population sub-groups, such as children, the elderly and young families;

(b) Addressing poverty measurement is urgent considering the on-going public discussion. The relative poverty measures that are often used do not reflect the impact of economic crisis and do not capture the way the general public views poverty;

(c) National practices in poverty statistics vary greatly. It would be helpful to move towards a coherent set of indicators for poverty measurement;

(d) Multidimensional measurement of poverty that goes beyond income is important. Several developments are underway to measure the share of people facing multiple deprivations, not only economic deprivation;

(e) The EU countries have a set of indicators for poverty monitoring based on the data from the EU Survey on Income and Living Conditions (EU-SILC). However, there is a need to bridge the gap between the EU and other countries and to identify emerging issues that will become important in the coming years.

7. The Bureau asked the secretariat to organise a one-off event in 2013 to discuss how to improve poverty measurement in the UNECE region. The outline of the event was presented to the Bureau in February 2013. It suggested covering the following topics in the seminar:

(a) Methodological and data issues;

(b) International and across time comparability;

(c) How to capture vulnerable groups and regional disparities;

(d) Timeliness of data;

(e) Inter-linkages between poverty, inequality, vulnerability and social inclusion.

8. In the discussion of this outline in February 2013, the Bureau raised the following points:

(a) Bringing together the different aspects of poverty measurement would help to clarify the priorities and identify areas where more in-depth methodological work on poverty statistics could be undertaken;

(b) Other topics suggested to be covered in the seminar were specific measurement issues, clarification of definitions and methodology, data sources, international comparability, poverty in vulnerable groups, ways to speed up the production of poverty data, communicating poverty measures, and responses to the criticism on the relative poverty measures. Multidimensional poverty is a “must” topic for the seminar;

(c) The seminar should be of interest for all countries of the UNECE region;

(d) The possibility of holding parallel sessions should be investigated;

(e) The World Bank should be involved in the seminar to permit discussion of the different approaches to poverty measurement used by the World Bank and national statistical offices;

(f) The target audience of the seminar should be statisticians and analysts from national statistical offices, ministries and other government agencies that produce or use poverty statistics. Researchers could also be invited. Media representative(s) could be invited to explain how they use poverty data. The discussion should be at a technical/methodological level, not at policy level. It may be helpful to have a final round table with some chief statisticians involved to capture the strategic issues for further work on poverty measurement.

9. Ukraine offered to contribute to drafting the agenda for the seminar. The Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT) volunteered to prepare a paper for the seminar on comparability issues in poverty measurement in the region.

IV. Conclusion

10. In view of the many issues and challenges in this area, the Bureau requested the secretariat to organise a seminar on poverty measurement in 2013, jointly with the Organisation for Economic Co-operation and Development (OECD) and CIS-STAT. The seminar is planned to take place in Geneva on 2-4 December 2013.

11. The secretariat will develop a draft programme for the seminar and circulate it to the Bureau for comments. The draft agenda will be presented to the 2013 CES plenary session in document number ECE/CES/2013/7/Add.1 with the aim to seek input from all CES members.

V. Proposal for the Conference

12. The Conference is invited to endorse the outcome of the in-depth review of poverty statistics.

13. The Conference is invited to comment on the draft outline of the seminar on poverty statistics (document ECE/CES/2013/7/Add.1).
