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Item 7 (a) of the provisional agenda
Poverty statistics

The way forward in poverty measurement: seminar outline

Note by the secretariat

Addendum

Summary

In November 2012, the Bureau of the Conference of European Statisticians conducted an in-depth review of poverty statistics based on a paper by Ukraine and Eurostat. As a follow-up, the Bureau requested the secretariat to organise a one-off event in 2013 jointly with the Organization for Economic Co-operation and Development and the Interstate Statistical Committee of the Commonwealth of Independent States, to discuss how to improve poverty measurement in the United Nations Economic Commission for Europe region.

The present note contains an outline for this event. A previous version of this outline was discussed at the Conference of European Statisticians Bureau meeting of 5-6 February 2013 in Luxembourg. This is an updated version based on the discussions at that meeting and subsequent inputs from Ukraine and the Organization for Economic Co-operation and Development.

I. Background

1.   The monitoring of Millennium Development Goals and the recent discussions on the post-2015 development agenda have further strengthened the importance of measuring poverty, inequality and vulnerability. With the current economic and financial crisis, the importance of measuring trends and the timeliness of data has again become apparent.

2.   In the United Nations Economic Commission for Europe (UNECE) region, over 400 million people live in low- and middle-income countries. Two out of the six poorest non-African countries are in this region. Even in high-income countries, there are pockets of poverty and the improvement of welfare is far from being self-evident. Poverty measurement needs to cover vulnerable populations and address regional disparities.

3.   Countries and international organizations need comparable data and harmonized data sets. However, there is currently no coherent set of indicators to measure and monitor poverty in the UNECE region. For monitoring Millennium Development Goal 1 "Eradicate extreme poverty and hunger", over 100 indicators are used by the countries in the region. Indicators used by international organizations are not among those used most frequently by the countries. For the various indicators, a large variety of definitions, methods and primary data sources are available and there are no uniform national or international guidelines for their application.

4.   New developments such as multidimensional poverty measurement, new data sources and opportunities arising with the information society lead to new measurement approaches. Issues related to data quality, harmonization and the use of new technologies need to be discussed.

5.   The seminar will be a forum for the exchange of experiences and practices in poverty measurement. This can support work towards establishing a recommended coherent set of indicators to measure poverty that is relevant for all countries in the UNECE region, and contribute to the global discussion on monitoring the post-2015 development agenda.

II. Target audience

6.   The target audience of the seminar would consist of statisticians and analysts from national statistical offices (NSOs), ministries and other government agencies that produce or use poverty statistics. They will be invited to contribute papers and presentations alongside experts from international organizations and academia. The aim will be to have a good coverage of the representatives and issues from high-, low- and middle-income countries. Mexico, the Netherlands, the Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT) and UNECE have already indicated commitment to contribute a paper for the seminar.

III. Organization

A. Time and place

7.   UNECE, the Organization for Economic Co-operation and Development (OECD) and CIS-STAT will jointly organize the seminar on 2-4 December 2013 at the Palais des Nations in Geneva. UNECE will provide the secretariat service.

B. Languages

8.   The United Nations Office at Geneva will ensure English-French-Russian interpretation. The organizers will translate to English the papers and slides provided in Russian. Translation of papers from English to Russian will be provided to the extent possible, prioritising the papers that are of particular interest to the countries of Eastern Europe and Central Asia.

IV. Structure

9.   The seminar will be organized in three thematic sessions followed by a panel discussion on the future of poverty measurement and implications for a coherent set of indicators for measuring poverty in the UNECE region.

10.   The sessions are planned for three hours in the morning and three hours in the afternoon with a two-hour lunch break. There is space for 25 to 30 plenary presentations of around 25 minutes, including some time for questions from the audience. Additionally, ample time is reserved for a discussion of the presentations in each session. A discussant will guide the overall discussion of the papers with a view of their implications for the future of poverty measurement. He or she will also provide a summary of the main conclusions of the session.

11.   The main conclusions of the discussants from each session will be the basis to start the panel discussion. The panel discussion will take place on the third day and will last around 90 minutes. The coffee break will be followed by a presentation of the conclusions from the panel discussion by the chair, including a presentation of a proposal for follow-up activities, its discussion and adoption.

A. Session 1: Methodological issues in poverty measurement

12.   The methods and data sources for poverty measurement vary greatly and reporting on bias and uncertainty of poverty data is limited. The session could discuss issues such as the measurement of in-kind benefits, the coverage of health insurance and pension contributions and the impact of the costs of earning on poverty reduction. Another range of questions is related to the use of poverty estimates based on either consumption or income, and to the possibility of introducing new measures by combining the two approaches. Another related issue is the choice of data collection tool, for example, when to use national accounts data and when to use household surveys.

13.   Special attention should be given to the timeliness of data. The impact of crises is difficult to measure immediately as there is a lag in the data becoming available. The impact of political, food, energy and economic-financial crises is diverse and affects different groups, in each case in different ways. The effects in standard poverty indicators may appear only after a significant delay, which may slow down policy responses. New approaches provided by the modern information society and more frequent or continuous measurement tools can be discussed.

14.   An associated topic for poverty related policies is how to capture vulnerable groups and regional disparities. Certain sub-groups or regions can be specifically affected by poverty, which would not be detected from national averages. To address the causes of disadvantages, policymakers might need information other than that provided by standard surveys. Disaggregation increases the statistical variance. Alternative methods and data sources might be needed in order to produce reliable data.

15.   Examples of topics that could be discussed include:

        (a)   Criteria to measure poverty;

        (b)   How to cover the informal sector and in-kind benefits;

        (c)   Advantages/disadvantages of different data collection tools;

        (d)   Approaches and methods for producing more timely data;

        (e)   How to improve the reliability of measurements for sub-groups and small areas;

        (f)   Methods of indirect assessment.

B.   Session 2: Data comparability

16.   There is a strong need for data that are comparable internationally and over time. The issues for this session include retrospective estimation of any new poverty measures for understanding their trend, and international micro-data access for calculating comparable poverty indicators since nationally defined cut-off points may depend on specific national policy targets. Different poverty levels require different measures, which leads to the question of whether comparable indicators exist that are relevant for all countries or to different income groups. The specific situation and conditions in each country vary which might lead to the conclusion that comparable poverty measurement is inherently problematic. International organizations can show how they safeguard comparability of poverty measures and especially present recent or upcoming changes. National agencies can indicate to what extent international recommended indicators and methodology are applicable in their situation. In this regard, the tension between the need for comparable primary data sources and the need to adapt standardized surveys to local circumstances can be discussed.

17.   Examples of topics that could be discussed include:

        (a)   Comparability of the existing indicators;

        (b)   Relevance of the various indicators depending on the stage of development;

        (c)   Methods and programs to harmonize methodology and primary data sets;

        (d)   Adaptation of methodology and indicators to local needs.

C.   Session 3: Inter-linkages between poverty, inequality, vulnerability and social inclusion

18.   The inter-linkage between poverty, inequality, vulnerability and social inclusion is a topic for conceptual discussion on questions such as: what do the indicators measure and what do we want to measure? Do absolute poverty lines measure aspects of poverty different to relative ones? What would be a minimum set of different indicators sufficient for measuring poverty? Are material deprivation indices a promising direction of an integrated approach to the assessment of the poverty situation?

19.   The relevance of indicators and their link to policy needs is important. These topics are also related to sustainable development. How poverty indicators and the measurement of poverty should fit in the sustainable development framework is relevant in this respect.

20.   Examples of topics that could be discussed include:

        (a)   Conceptual issues of selecting the approaches to measure these phenomena;

(b)   The pros and cons of multidimensional poverty assessment;

(c)   The relation between poverty, inequality and social exclusion;

(d)   Advantages and disadvantages of multidimensional poverty measures;

(e)   Implications in view of Rio+20 and the measuring of the sustainability of poverty alleviation.

D.   Session 4: Panel discussion about future work, including on possible development of a coherent set of poverty indicators

21.   An open panel discussion will bring together the conclusions from the three sessions and discuss the implications for the future of poverty measurement in the UNECE region. This discussion will be geared towards the way forward to a possible coherent set of indicators for UNECE countries, in light of the already established indicator sets such as those of OECD and Eurostat.

22.   At the beginning, the discussants from each of the three thematic sessions will briefly summarize the lessons learned from their session in view of the future of poverty measurement. The panel members can be selected from the presenters and eminent specialist in the field of poverty measurement.

23.   The panel discussion should lead to recommendations for future work, identify areas where more in-depth methodological work on poverty statistics could be undertaken and make suggestions for a framework of a coherent set of indicators. In the end, the chair will present the conclusions from the panel discussion, including recommendations for follow-up activities, for discussion and adoption in the end of the seminar.

V.   Proposal

24.   The Conference is invited to comment on the present outline and advise on the organization of the seminar.

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