Principles of organizing monitoring of poverty and effectiveness of social assistance programmes in Ukraine

The aim of public administration is to meet citizens' expectations related to establishment of a free and democratic society and effective market economy and improvement of quality of life

Mid-term plan on government priorities up to 2020
Poverty reduction strategy up to 2020
New comprehensive poverty assessment methodology
Methodology to monitor and assess effectiveness of social assistance programmes

Effective cooperation among all parties concerned

- working groups with representatives from all parties of the social dialogue and academia
- discussions, meetings and expert consultations.

Main developers of documents:

- Ministry of Social Policy,
- Ministry of Economic Development and Trade,
- Ministry of Finance,
- State Statistical Service
- National Academy of Science.

The methodologies include*:*

- indicator lists and methods;
- description of data sources;
- organization of monitoring and roles of executing agencies

Poverty related monitoring indicators are produced by SSSU and the National Academy of Science based on microdata derived from household living conditions surveys***.***

Coordination of the two monitoring mechanisms is performed by the Ministry of Social Policy

Main tasks of SSSU:

- provide information support to the methodologies;
- participate in development of indicators, methodology and data sources.

Monitoring indicators are chosen based on:

- the need to be comparable over time;
- up-to-date methodological approaches that exist in international practice;
- national specifics of population wellbeing and social exclusion;
- existing regulatory framework in Ukraine;
- available information sources and their characteristics;
- level of relevance of indicators in relation to correct reflection of current developments.

System of poverty monitoring indicators

Group I – main monetary criteria of poverty:

(scale equivalence 1.0; 0.7; 0.7

• expenditures below 75% of the median value);

• income below the officially established subsistence minimum;

• expenditures below the actual subsistence minimum;

• income below the actual subsistence minimum.

•**Group II – other monetary measures of poverty:**

• daily expenditures below USD 5.05 (by PPP);

• income below 60% of the median value (scale equivalence 1.0; 0.5; 0.3)

•**Group III – poverty criterion based on deprivations -** 4 out of 9 deprivations experienced by a household due to lack of money.

HLCS indicators used to measure social exclusion

(share of households/population)

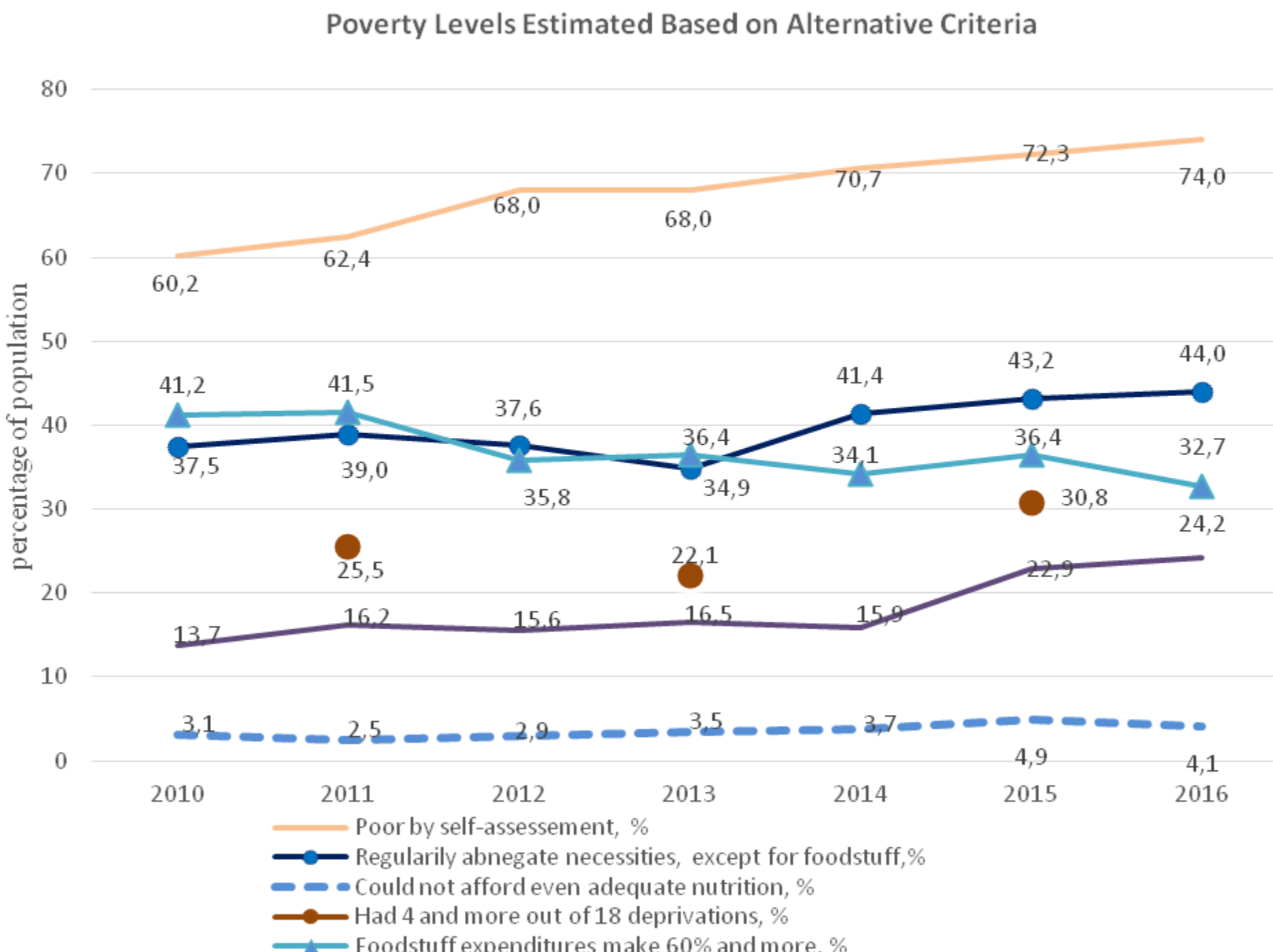
- lack of policlinics, ambulances or other medical facilities in the neighbourhood;
- lack of money to keep home adequately warm;
- lack of regular transport communication with a settlement that has more developed infrastructure;
- lack of timely emergency medical services in the settlement;
- lack of kindergartens and nurseries in the neighbourhood;
- households, members of which experienced the need but were not able to receive health services or purchase medicines within 12 months;
- households who spend over 60% of total income for food;
- households who have less than 10% of total resources left after paying for food and housing.

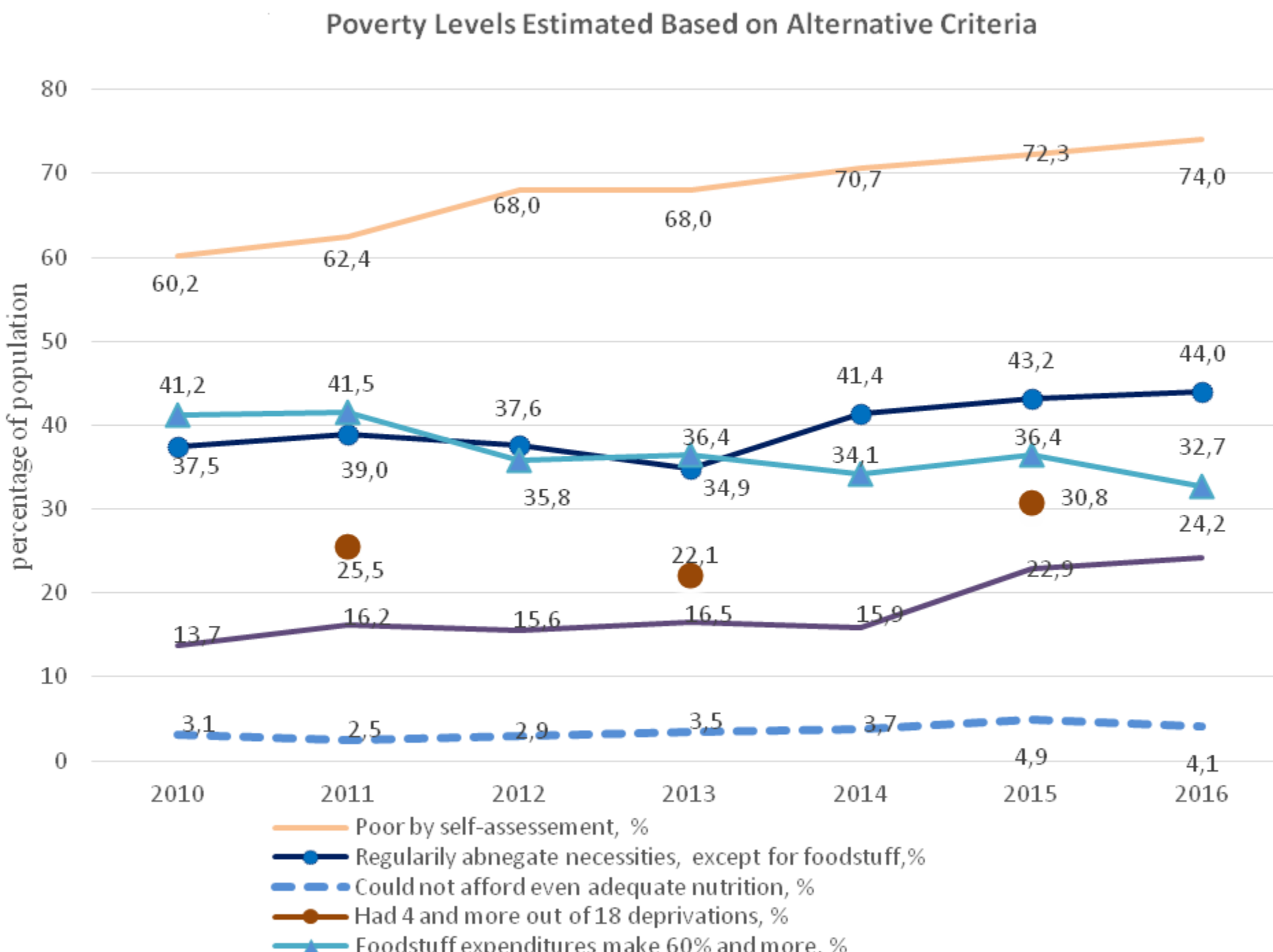
Household living conditions survey– a basis for poverty monitoring

Sample survey coverage -13 thousand households with the exception (due to occupation) of the Autonomous Republic (AR) of Crimea and Sevastopol equal to 12,200. Participation rate - 70%.

Survey information potential

- household social-demographic characteristics
- expenditures and consumption
- income and other resources including from personal subsidiary farms
- housing conditions
- availability of consumer durables
- assessment of health conditions and access to medical goods and services
- assessment of wellbeing and economic expectations
- access to certain goods and services (deprivations)
- access to information and communication technologies
- assessment of effectiveness of social assistance programmes.


Poverty Levels Estimated Based on Alternative Criteria
percentage of population
80
70
60
50
40
30
20
10
0
2010
2011
2012
2013
2014
2015
2016
60,2
62,4
68,0
68,0
70,7
72,3
74,0
41,2
41,5
37,6
36,4
34,1
36,4
32,7
37,5
39,0
35,8
34,9
41,4
43,2
44,0
25,5
22,1
30,8
24,2
13,7
16,2
15,6
16,5
15,9
22,9
3,1
2,5
2,9
3,5
3,7
4,9
4,1
Poor by self-assessement, %
Regularily abnegate necessities, except for foodstuff,%
Could not afford even adequate nutrition, %
Had 4 and more out of 18 deprivations, %
Foodstuff expenditures make 60% and more, %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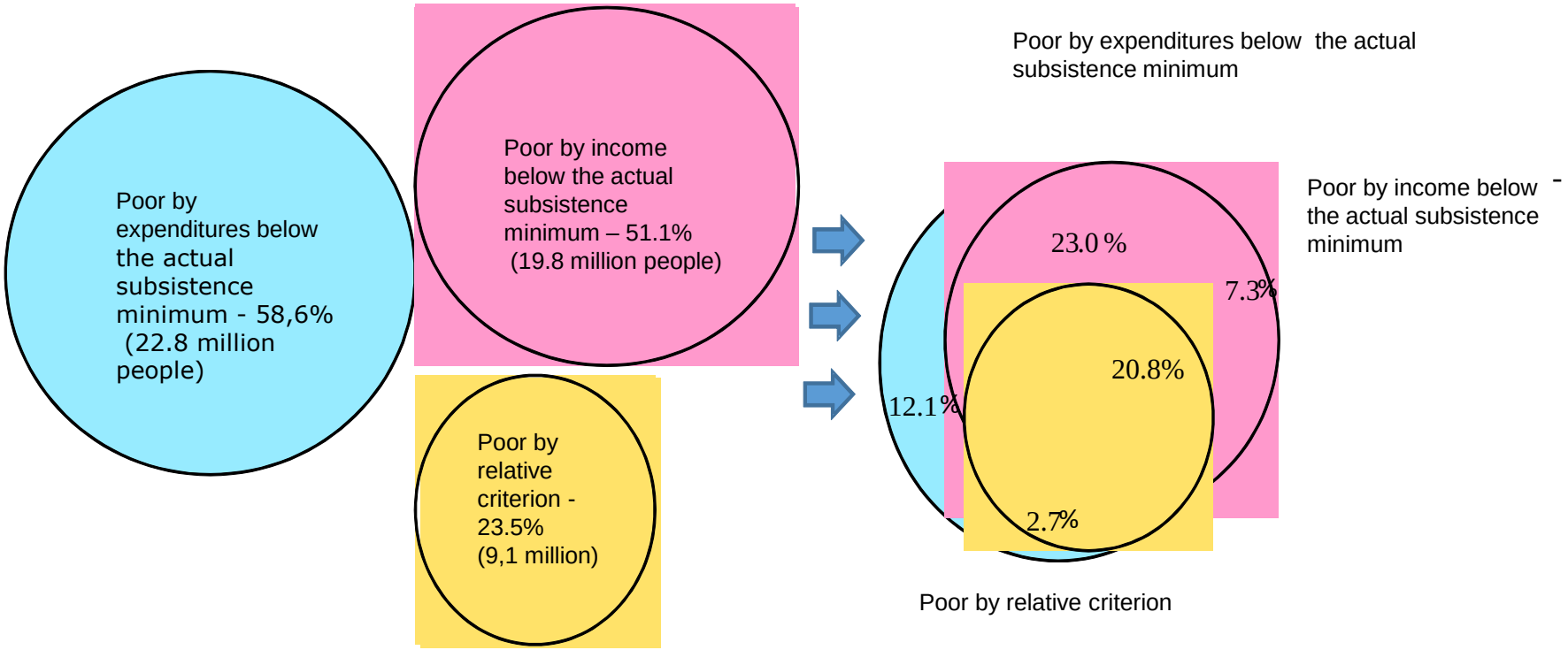
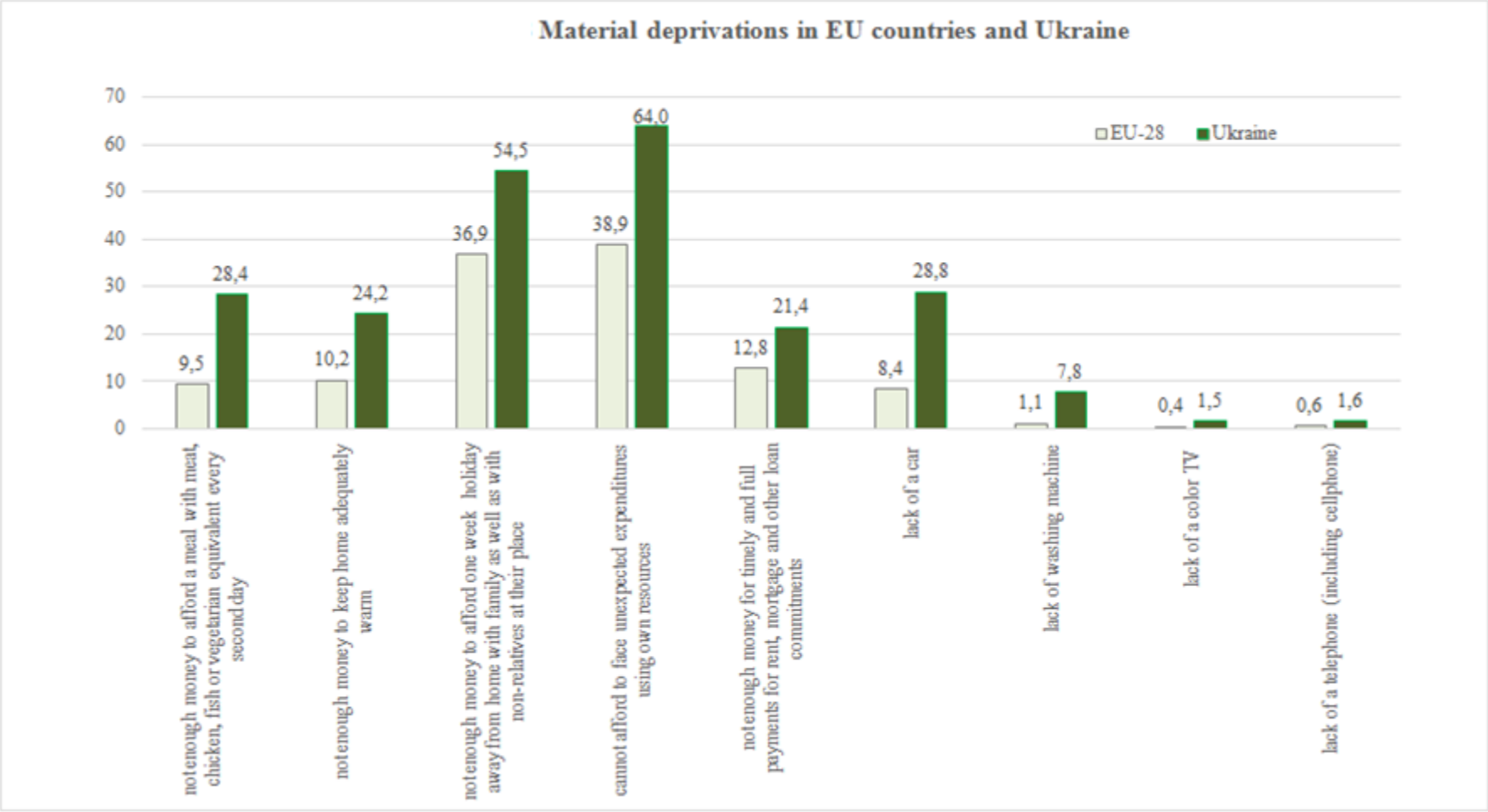
Scale of different forms of poverty in 2016




Material deprivations in EU countries and Ukraine
70
60
50
40
30
20
10
0
EU-28
Ukraine
9,5
28,4
10,2
24,2
36,9
54,5
38,9
64,0
12,8
21,4
8,4
28,8
1,1
7,8
0,4
1,5
0,6
1,6
not enough money to afford a meal with meat, chicken, fish or vegetarian equivalent every second day
not enough money to keep home adequately warm
not enough money to afford one week holiday away from home with family as well as with non-relatives at their place
cannot afford to face unexpected expenditures using own resources
not enough money for timely and full payments for rent, mortgage and other loan commitments
lack of a car
lack of washing machine
lack of a color TV
lack of a telephone (including cellphone)

An overview of joint work of the parties concerned in preparing the system for indicators to monitor the progress on SDGs

- Process of SDG adaptation in Ukraine was based on imperative “No one left behind”
- More than 4,500 people participated in person in consultations to define national sustainable development priorities and, with the e-survey respondents and crowd sourcing participants this number grows to 25,000 people
- A governmental high-level group and a number of expert working groups established
- More than 800 leading experts on SDG thematic areas involved
- A system of national tasks and key indicators was developed to serve as a basis for monitoring
- In order to organize an effective monitoring of SDG progress a national indicator reporting platform and metadata repository on national SDG progress indicators will be established

Prospects

- Introduction of the European Union Statistics on Income and Living Conditions (EU SILC).
- Introduction of electronic questionnaires in household sample surveys
- Compilation of household living conditions surveys microdata for research and public use
- Compilation of indicators and metadata repository on national SDG progress indicators