Indices of Multidimensional Poverty

OPHI

5th of December 2019
Geneva, Switzerland
What is the global Multidimensional Poverty Index?

- Internationally comparable measure of acute multidimensional poverty in 100+ countries
- Shows both the incidence and intensity of multidimensional poverty
- Uses primarily DHS and MICS surveys

- Launched in 2010 in the UNDP’s Human Development Report, based on the Human Development Index and the SDGs
- Updated at least once a year to include new datasets
Composed of 3 Dimensions and 10 Indicators

Three Dimensions of Poverty

- Health
  - Nutrition
  - Child mortality
- Education
  - Years of schooling
  - School attendance
- Living Standards
  - Cooking fuel
  - Sanitation
  - Drinking water
  - Electricity
  - Housing
  - Assets
Going Beyond Averages: Subnational Disaggregation
Leaving No One Behind

- Poorest states progressed fastest
- 271 million fewer persons were poor after 10 years
Inequality among the MPI poor

- Tends to increase with the value of the MPI, but there is variation across countries.
- Individual level analyses are need.
Global MPI figures for UNECE countries: very low estimates; need for more accurate regional/national measure of MD poverty

<table>
<thead>
<tr>
<th>Country</th>
<th>Survey</th>
<th>Year</th>
<th>MPI</th>
<th>Incidence (H, %)</th>
<th>Intensity (A, %)</th>
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</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>DHS</td>
<td>2015/16</td>
<td>0.001</td>
<td>0.19</td>
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<td>0.40</td>
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<td>0.029</td>
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</table>
Global MPI figures for UNECE countries:
Tajikistan 2017
Censored headcount ratios
How to Move Forward?

• The SDG 1.1.2 indicator urges to take into account national differences

• Ordered processes (technical and political) need to be set in place

• Effective policymaking depends on the quality of the poverty measures (robust identification of the poor and the intensity of poverty – leave no one behind)
How to Move Forward?

An OPHI-UNDP manual proposes a way to think about this, and it shows successful examples across the world.

How to Build a National Multidimensional Poverty Index (MPI): Using the MPI to inform the SDGs

United Nations Development Programme (UNDP) and Oxford Poverty and Human Development Initiative (OPHI), University of Oxford
How to Move Forward?

• National differences need to be taken into account, but a regional view is possible and useful

• Other regions have taken this route (LAC and the Arab States)
  • Regional trainings
  • Methodological harmonization
  • Regional tracking
  • Country differences within regions
To Conclude:

• The **global MPI** aims at being internationally comparable (OPHI and UNDP)

• **National MPIs** can shed more useful light for policy actions towards accomplishing SDG 1.1.2 (policymakers, NSIs, OPHI, Civil Society, International Organizations)

• **Regional MPIs** are useful as benchmarks for specific world regions (Regional bodies, NSIs, OPHI)
Thank you