Millennium Development Goals in Republic of Moldova
Key milestones towards achievement of MDGs

- Target 1. Halve, between 1997 and 2015, the proportion of people whose income is less than $2.15 (PPP) a day
- Target 2. Halve, between 1998 and 2015, the proportion of people who suffer from hunger.

- Target 1. Reduce the proportion of people whose consumption is below $4.3 (PPP) a day from 34.5% in 2006 to 29% by 2010 and to 23% by 2015.
- Target 2. Reduce the proportion of people living below absolute poverty line from 30.2% in 2006 to 25% by 2010 and to 22% by 2015.
- Target 3. Reduce the proportion of people living below extreme poverty line from 4.5% in 2006 to 4% by 2010 and to 3.5% by 2015.

Both reports were prepared by Moldova Government with the assistance of UN team in Moldova.
### MDG Poverty Indicators

<table>
<thead>
<tr>
<th>International</th>
<th>National (in Moldova)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proportion of population below $1.25 (PPP) per day (%)</td>
<td>-</td>
</tr>
<tr>
<td>Percentage of population below the national poverty line (%)</td>
<td>Percentage of population below the absolute poverty line (%)</td>
</tr>
<tr>
<td>Poverty gap ratio ($1.25 per day (%) – poverty depth</td>
<td>-</td>
</tr>
<tr>
<td>Poverty gap ratio (national poverty line) (%) – poverty depth</td>
<td>Poverty gap ratio (absolute poverty line) (%) – poverty depth</td>
</tr>
<tr>
<td>Share of poorest quintile in national consumption (%)</td>
<td>Share of poorest quintile in national consumption (%)</td>
</tr>
<tr>
<td>Proportion of population in households below minimum level of dietary energy consumption</td>
<td>Proportion of population in households below minimum level of food poverty line (2282 kcal) – extreme poverty</td>
</tr>
<tr>
<td>Prevalence of underweight children under 5 years of age</td>
<td>Disease incidence due to undernourishment among children aged 0-5</td>
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</tbody>
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**Additional indicators in Moldova**
- Proportion of population whose income is below $2.15 PPP a day per person (%)
- Proportion of population living in households with consumption below $4.30 PPP a day per person (%)

3
Revised MDG 1

- First MDG 1 was set in 2004.
- In 2007, the Goal was revised as in 2006 the proportion of population whose income was below $2.15 a day halved, and the data are not fully comparable due to revised household budget surveys. New target is $4.3 (PPP) a day per person.
Revised MDG 1

- In addition, the target refers to **consumption** rather than to **income** as a measure of welfare as consumption spending better reflects the level of welfare.
- Comparability of data at the international level??
Revised MDG 1

- In addition to percentage of population living below extreme poverty line, national MDG also includes reduction of population living below **absolute poverty line**.
Household Budget Survey (HBS): Key Data Source for Measuring Poverty

- **Household budget survey (HBS)** is a sample-based survey aimed to measure population’s living standards by level of income and expenditure and non-monetary indicators related to education, health, economic activities, living conditions, durable goods, etc.

- **Survey objects**: members of households, present or temporarily absent but participating in household budget. **Surveys do not include** people living in prisons, senior residential facilities, orphanages, student dormitories.

- **Survey tools**: Basic Household Questionnaire, Household Record Book, List of Surveyed Households, List of Non-Responses.

- **Data is registered** in the Basic Household Survey on the basis of survey and in the Household Record Book by **self-registration and by surveying**.

- **Reporting period**: month of survey, latest 4 weeks, latest 6 and 12 months prior to a survey. Since 2006 expenditures for food are registered only during 2 weeks.
Household Budget Survey (HBS): Key Data Source for Measuring Poverty

- **Sample size**: 9,768 addresses per annum, 814 households per month
- **Sampling frame**: 2004 census data and lists of power consumers
- **Sample type**: two-stage sample
  - Stage 1 is represented by 150 primary sampling units (PSUs) – population census
  - Stage 2 – selection of households – lists of power consumers
- **Rotation**:
  - Every two years 20% of PSUs are replaced by new ones (except for large cities);
  - Every second household is surveyed during 4 years in the same months (panel survey).
- **Coverage**: 28 towns and 97 villages randomly selected for these purposes.
- **Non-response level**: in 2010 – 39.5%.
- **Key reasons of non-responses**:
  - Interviewer found no one at home during three visits (37.1% of total non-responses);
  - Lack of respondent’s time and desire to participate in a survey (36.3% of total non-responses).
Arrangement of Household Budget Surveys

Data collection:

- Since 2006 common network available for collection and processing data for Household Budget Surveys (HBS) and Labour Force Surveys (LFS): 150 interviewers and 50 supervisors, 22 duly equipped operational centres;
- Load per an interviewer: cities – 10 HBS and 35 LFS; towns – 6 HBS and 25 LFS, villages – HBS and 25 LFS.
Quality Assessment of Household Budget Surveys

Data quality can be checked in terms of internal consistency as well as by external verifications.

- **Internal consistency:**
  - Linkages between various indicators in questionnaires – data editing

- **External verifications:**
  - Some HBS results can be compared with other sources:
    - Demographic indicators: groups by gender and age, household size
    - National accounts: household consumption
    - Social protection
    - Agricultural statistics
    - Labour force survey

!!! *Personnel training* is a key for data quality
Poverty Measurement

Poverty measurement can be divided into three key phases:

1) **Building aggregate consumer expenditures**
   - For goods which are purchased at most once a year/half a year expenditures for last 6 and 12 months are used;
   - Expenditures for durable goods are excluded;
   - To ensure comparability of households surveyed in different months of a year and in different regions (particularly, urban/rural), consumer expenditures are adjusted using Consumer Price Index for non-foods and Paasche index for food items.
   - **OECD equivalence scale** is used to ensure comparability of households of different sizes and composition (1.0 – 0.7 – 0.5).
Poverty Measurement

2) Building absolute poverty line:

- **Food basket – extreme poverty line according to the World Bank**
  - Population from II-IV deciles is selected for computation (food basket of the category consists of 46 food items);
  - Consumption structure of this category of population is applied to a minimum food energy intake – 2,282 kcal a day.

- **Non-food basket**
  - Population is selected whose consumer expenditures are equal to a food line +/- 10%;
  - Structure of monthly consumer expenditures of the selected population group and accordingly a share of non-food expenditures in the total consumption are calculated;
  - Absolute poverty line is set by adding poverty line and poverty line multiplied by non-food ratio.

!!! Poverty line is not calculated annually, instead it is indexed for CPI. As the consumption structure has changed since 2006, the poverty line will be recalculated in 2011.
Coordination and participation in MDG monitoring

- Prior to 2010, MDGs were monitored by the Ministry of Economy and starting from 2010 MDGs are monitored by the Prime Minister’s Office;
- Preparation of national MDG reports involves representatives of all central government authorities, as well as non-governmental organizations;
- As part of programmes for providing equal opportunities for men and women a report was prepared on achievement of MDGs from a gender perspective (UNIFEM);
- This year with the assistance of UNDP National Statistical System Consolidation Project activities were started to assess quality of MDG indicators from the perspective of data sources;
- As MDG1 targets have been almost achieved, the targets may be revised in the future and more detailed analysis may be done.
Dissemination of MDG1 Data

Dissemination of MDG1 Data

- Starting from 2010, the indicators for which NSO is responsible are available at the Web site, including metadata for each indicator http://www.statistica.md/public/files/Metadate/ODM/ODM1_TR2_IR2.pdf (in Romanian)
Thank you!