High-level meeting of the Multidimensional Poverty Peer Network
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The development process of Ecuador’s IPM
Understanding poverty under the framework of “Buen Vivir”

- “Buen Vivir” means **living a full life**, which entails living harmoniously with oneself, with others and with nature.

- The good life is achieved through **the full exercise of constitutional rights**.

- Article 14 of the Constitution establishes people’s right to live in a healthy, ecologically balanced environment, which ensures sustainability and good living.

- Poverty eradication is a necessary **initial condition** to achieve “Buen Vivir”.

![Rights of Good Living (“Buen Vivir”)](image)
The development process of Ecuador’s IPM

Institutional support

Presidency of the Republic

National Secretariat for Planning

Poverty Eradication’s Committee

- National Plan for Buen Vivir
- Poverty eradication strategy
- Spatial planning, territorial development

Coordinating Ministry of Social Development

Social Advisory Board

- Public policy design
  - Health
  - Housing and urban development
  - Economic and social inclusion
  - Education
  - Employment

OPHI

National Statistics Office (INEC)

National statistical commission

- Space for technical discussion where statistical indicators are standardized and made official.
- It is made up of technical delegates of executive ministries, planning entities and academia.
The development process of Ecuador’s IPM

Lessons learned

1. **Theoretical framework:**
   (Rights approach)
   • Constitution
   • National Plan

2. **Source of information**
   • Representativeness of the sample.
   • Periodicity (cost – benefit)

3. **AF’s method implementation**
   • Indicators (cut-offs):
     (Legal criteria)
   • Weights:
     (Robustness analysis)
   • Multidimensional poverty line (k)
     (Consistency analysis)

4. **Communication strategy**
   • Social media
   • Expert opinion
   • Launch event

5. **Information transparency**
   • Executive report
   • MPI technical note
   • Database (.spss, .dta)
   • Statistics program (do file)
   • Statistical results tables (excel, csv)

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2013 (October)  
28 months  
2016 (5 February)
Structure of Ecuador’s MPI
Dimensions, weights, indicators

1. School attendance (5-17 years)
2. Higher education attendance (18-29 years)
3. Educational attainment (18-64 years)
4. Child labor (5-17 years)
5. Unemployment and inadequate employment (18 years and over)
6. Non-contribution to pension system (15 years and over)
7. Extreme income poverty
8. Public water supply service
9. Overcrowding
10. Qualitative and quantitative housing deficit
11. Basic sanitation system
12. Waste collection services
¿How many people are poor?, ¿how much poor are them?

Multidimensional poverty trend

H, A

H: 16.5 p.p. ≈ 1.9 millions
A: 4.1 p.p. ≈ 0.5 deprivations
MPI: 10.2 points

Source: Employment household survey
Note: MPI re-scaled x 100
¿Which dimensions are affecting into a greater or lesser extent? Decomposition by deprivation

Source: Employment household survey
Note: MPI re-scaled x 100