Introduction

MPPN Meeting, Mexico
8-9 November 2016

Sabina Alkire and OPHI Secretariat
Multidimensional Poverty Peer Network (MPPN)
- Connecting Policymakers Globally -

1. Agenda
2. Measuring Multidimensional Poverty
3. The MPPN
AGENDA
8 Nov 2016: schematic

10:45-11:00  Keynote: Luis Felipe Lopez Calva, World Bank

11:30-12:30  Sharing of practice
  exactly 7 minutes each

12:30  Keynote: Heike Kuhn, Germany

14:00  Round-Table Discussion: Mexico

15:00  Sharing of practice
  exactly 3 minutes each

17:20  Highlights and closing

19:00:  Dinner hosted by the State of Guerrero
9 Nov 2016: schematic

7:45  **Amexid Event**
9:15  **MPPN’s 2017 agenda**
9:30  Launch of “Revista Dimensiones”, new websites, etc
9:45  In-depth Sharing experiences and case studies
12:15  **Keynote: Martin Evans, UNICEF**
13:45  **Parallel sessions**
       MPPN Work Plan and Communiqué (Countries)
       International Agency Involvement in the MPPN
14:45  **Next Steps: a circular space for each participant**
16:30  **Closing ceremony and group photo**
       19:00  **Informal dinner**
MEASURING MULTIDIMENSIONAL POVERTY

AF METHODOLOGY
Methodology for the National and Global MPIs

1. Select Indicators, Cutoffs, Values

2. Build a deprivation score for each person

3. Identify who is poor

4. Use the MPI, Incidence Intensity & Composition
The MPI (Alkire-Foster)

The MPI is the product of two components:

\[ \text{MPI} = H \times A \]

1) *Incidence* \( \sim H \) \( \sim \) the percentage of people who are poor.
2) *Intensity* \( \sim A \) \( \sim \) the average percentage of dimensions in which poor people are deprived

The MPI is can be decomposed by **groups** & broken down by **indicators**

Alkire and Foster *Journal of Public Economics* 2011
Cote d’Ivoire’s MPI & its nearest Neighbours
Disaggregate Cote d’Ivoire MPIs (or H, A, indicator) (by region, subgroup)
Compare MPI, H with $1.90, GNI/capita

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>MPI</th>
<th>H</th>
<th>A Intensity</th>
<th>$1.90/day</th>
<th>$3.10/day</th>
<th>National poverty line</th>
<th>Income category</th>
<th>GNI/capita</th>
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<tbody>
<tr>
<td>Namibia</td>
<td>2013</td>
<td>0.193</td>
<td>42.0</td>
<td>46.0</td>
<td>22.6</td>
<td>45.7</td>
<td>28.7</td>
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<td>5,630</td>
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<td>54.3</td>
<td>39.9</td>
<td>Lower MIC</td>
<td>1,350</td>
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<td>Togo</td>
<td>2013/14</td>
<td>0.252</td>
<td>50.1</td>
<td>50.4</td>
<td>54.2</td>
<td>74.5</td>
<td>58.7</td>
<td>Low income</td>
<td>570</td>
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<td>Mauritania</td>
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<td>32.5</td>
<td>42.0</td>
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<td>56.8</td>
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<td>76.5</td>
<td>46.0</td>
<td>Lower MIC</td>
<td>2,970</td>
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<td>Malawi</td>
<td>2013/14</td>
<td>0.265</td>
<td>56.0</td>
<td>47.4</td>
<td>70.9</td>
<td>87.6</td>
<td>50.7</td>
<td>Low income</td>
<td>250</td>
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<td>0.281</td>
<td>56.6</td>
<td>49.8</td>
<td>64.4</td>
<td>78.9</td>
<td>60.5</td>
<td>Lower MIC</td>
<td>1,680</td>
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<td>Senegal</td>
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<td>0.309</td>
<td>56.9</td>
<td>54.3</td>
<td>38.0</td>
<td>66.3</td>
<td>46.7</td>
<td>Lower MIC</td>
<td>1,050</td>
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<tr>
<td>Cote d'Ivoire</td>
<td>2011/12</td>
<td>0.310</td>
<td>58.7</td>
<td>52.8</td>
<td>29.0</td>
<td>55.1</td>
<td>46.3</td>
<td>Lower MIC</td>
<td>1,450</td>
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<td>Gambia</td>
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<td>60.4</td>
<td>53.4</td>
<td>45.3</td>
<td>68.0</td>
<td>48.4</td>
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<td>460</td>
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<td>Benin</td>
<td>2011/12</td>
<td>0.307</td>
<td>62.2</td>
<td>49.3</td>
<td>53.1</td>
<td>75.6</td>
<td>36.2</td>
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<td>890</td>
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<tr>
<td>Tanzania</td>
<td>2010</td>
<td>0.332</td>
<td>65.6</td>
<td>50.7</td>
<td>46.6</td>
<td>76.1</td>
<td>28.2</td>
<td>Low income</td>
<td>920</td>
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</tbody>
</table>
The MPI is always broken down by indicator to show how people are poor by each indicator.
Show composition for every subnational region/group

Africa: 475 subnational regions
Global MPI: Headline + Disaggregated detail

Governance

Leave No One Behind
Changes over time for each of these indicators (States of India)
Relationship between Income Poor & MPI Poor

13.7% Income poor
5.2% MD poor
13.7% Income Poor

5.2% MPI Poor
2% MPI poor
MPI: Two kinds ~ both useful

Global MPI (comparable):

Example: The Global MPI estimated and analysed by OPHI and published by UNDP’s HDRO can be compared across 110 countries. Facilitates ‘lessons learned’ across countries.

- Like $1.90/day – can be compared: adds subnational comps
- Can be used for SDG 1.2 (halve global MPI)
MPI: Two kinds ~ both useful

**National** (or subnational):

*National MPIs* reflect national contexts and priorities. They guide policies like targeting and allocation and monitor changes. They are permanent official statistics, computed by the countries using national datasets – and used by policy actors & citizens


- Bhutan
- Chile
- Colombia
- Costa Rica
- Dominican Republic
- Ecuador
- El Salvador
- Honduras
- Mexico
- Pakistan
Using the MPI requires:

- **Communicating** MPI to policy actors, press and public:
  - Differences with established measures
  - What is it? How does it help us fight poverty?
- **Clarifying value-added** from established measures
  - Income, Unsatisfied basic needs
- **Motivating and engaging** policy actors
  - Provide Incentives to coordinate, and celebrate success
  - Learn emerging good practices at different levels of government.
- **Sustaining MPI across** political cycles, changes of personnel
- **Broadening awareness and support** for integrated MPI
  - Political parties, Private Sector, NGOs, Academia, Press,
  - Bilateral Multilateral & UN agencies, Better data
- **Coordinating our voice** so SDGs build on best practices.
Country Policy Uses of MPIS:

- **Track poverty** over time (official statistics)
- **Compare** poverty by region, ethnicity, rural/urban
- **Allocate** resources by sector and region
- **Monitor** indicator changes (measure to manage)
- **Coordinate** policy and policy actors
- **Target** marginalized regions, groups, or households
- **Evaluate** policy impacts
- **Map** interventions so NGOs/businesses engage
THE MPPN
The Multidimensional Poverty Peer Network

Launched in June 2013 at University of Oxford with:

• President Santos of Colombia
• Ministers and Vice-Ministers Sharing experience
• A lecture from Professor Amartya Sen

Supported by the German Federal Ministry for Economic Cooperation and Development (BMZ)
The Global Multidimensional Poverty Peer Network (MPPN) had 22 countries in 2013: Angola, Bhutan, Brazil, Chile, China, Colombia, ECLAC, Ecuador, El Salvador, Dominican Republic, Germany, India, Iraq, Malaysia, Mexico, Morocco, Mozambique, Nigeria, OECD, the Organization of Caribbean States, OPHI, Peru, Philippines, SADC, and Vietnam.

Supported by the German Federal Ministry for Economic Cooperation and Development (BMZ)
MPPN Second Meeting, Berlin 2014
32 country members + 9 agencies

Supported by the German Federal Ministry for Economic Cooperation and Development (BMZ)
MPPN Third Meeting, Colombia 2015
40 country members + 10 agencies
Overview of MPPN Highlights


• Six countries launched MPIs as official national statistics
• MPI included in SDG Indicators. Reported against SDG 1.2.2
• UN Side Events to General Assembly & Statistics Commission
• Many South-South, bilateral, and agency activities
• Atkinson Report commended that the World Bank design an MPI, and Bank’s written response is positive.
• Ten New Countries joined the MPPN
National MPIs launched as official statistics

*July 2015 – Oct 2016*

- **Costa Rica** – MPI aligns allocation with national goals (2015)
- **Ecuador** – MPI reflects political commitment to *Buen Vivir* (Feb 2016)
- **Pakistan** – MPI reflects the Vision 2025, in detail (June 2016).
- **Chile** – MPI-2 includes dimension of environment & networks (2016)
- **Honduras** – MPI (August 2016)
- **Armenia** - MPI (November 2016)
Does our allocation match our levels of poverty by region? (Not yet)

<table>
<thead>
<tr>
<th>Región</th>
<th>Intensidad</th>
<th>Incidencia</th>
<th>Presupuesto Ejecutado</th>
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<td>Central</td>
<td>25.86</td>
<td>15.17</td>
<td>$205.544.667.095,39</td>
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<td>Chorotega</td>
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<tr>
<td>Pacífico Central</td>
<td>26.74</td>
<td>26.21</td>
<td>$47.887.090.732,15</td>
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<tr>
<td>Brunca</td>
<td>27.61</td>
<td>32.69</td>
<td>$75.485.318.073,71</td>
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<td>Huetar Atlántica</td>
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<td>35.80</td>
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<tr>
<td>Huetar Norte</td>
<td>29.08</td>
<td>32.73</td>
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<td>Nacional</td>
<td>27.22</td>
<td>21.66</td>
<td>$514.225.278.725,60</td>
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</table>
Poverty from the view of its protagonists

Participatory study used to design MPI indicators in El Salvador

“Water drips through the holes in the roof, and floods the outside. Inside the house it’s the same story.”
Isidra, from Ayutuxtepeque

“Restrictions due to insecurity”
“Crime”
“Lack of school attendance”
“Educational underachievement”
“Inadequate child care services”
Ecuador

¿Por qué son pobres?

Descomposición del IPM

- Logro educativo incompleto
- Desempleo o emp. inadecuado
- Sin servicio de agua por red pública
- No contribución al sistema de pensiones
- Déficit habitacional
- Sin saneamiento de excretas
- IPM

- Inasistencia Educación básica y bachillerato
- Pobreza extrema por ingresos
- Hacinamiento
- Sin servicio de recolección de basura
- Empleo infantil y adolescente
- No acceso a la educación por razones económicas

Años: 2009 - 2015

Porcentajes:
- 2009: 27.2%
- 2010: 24.0%
- 2011: 20.6%
- 2012: 19.1%
- 2013: 19.0%
- 2014: 18.1%
- 2015: 17.0%
Pakistan’s MPI Incidence (H), 2004-2015

Incidence of Poverty 2014-15

District Map

Incidence of poverty by district:
- Less than 10%
- 10% - 19.9%
- 20% - 29.9%
- 30% - 39.9%
- 40% - 49.9%
- 50% - 59.9%
- 60% - 69.9%
- 70% and above
- No data

0% 10% 20% 30% 40% 50% 60% 70% 80%

2004/05 2014/15

55.2% 52.5% 49.3% 44.7% 40.8% 38.8%
Chile: How to add new/improved indicators to an Official National MPI

Educación (22,5%)
- Asistencia
- Rezago Escolar
- Escolaridad

Salud (22,5%)
- Malnutrición en Niños(as)
- Adscripción al Sistema de Salud
- Atención

Trabajo y seguridad social (22,5%)
- Ocupación
- Seguridad social
- Jubilaciones

Vivienda y entorno (22,5%)
- Habitabilidad (hacinamiento + estado de la vivienda)
- Servicios Básicos
- Medioambiente y accesibilidad

Redes y cohesión social (10%)
- Apoyo y participación social
- Trato igualitario
- Seguridad pública

Educación: 22,5%
Salud: 22,5%
Trabajo y seguridad social: 22,5%
Vivienda y entorno: 22,5%
Redes y cohesión social: 10%
Honduras

**Salud**
- Acceso a sistema adecuado de agua
- Acceso a saneamiento adecuado
- Tipo de combustible para cocinar

**Educación**
- Años de educación para miembros del hogar entre 15 y 49 años
- Asistencia escolar
- Analfabetismo

**Trabajo**
- Seguridad social
- Sub-empleo
- Trabajo infantil

**Vivienda**
- Acceso a electricidad
- Material pisos
- Material techo
- Material Pared
- Hacinamiento
- Acervo patrimonial

**Indice Multidimensional de Pobreza Según Quintil**

<table>
<thead>
<tr>
<th>Quintil</th>
<th>Pobreza</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>.46</td>
</tr>
<tr>
<td>2</td>
<td>.38</td>
</tr>
<tr>
<td>3</td>
<td>.30</td>
</tr>
<tr>
<td>4</td>
<td>.20</td>
</tr>
<tr>
<td>5</td>
<td>.09</td>
</tr>
</tbody>
</table>
Armenia

3.9. **Multidimensional Poverty in Armenia**

Poverty has been described as a deprivation in wellbeing, a lack of key capabilities, and a type of “economic scarcity” of basic needs. A measure of multidimensional poverty captures the complexity, depth and persistence of poverty and offers important information to complement the analysis of monetary (consumption) poverty.

**Figure 3.14: Armenia. Share of individuals living in households deprived in each of the five dimensions of multidimensional poverty, by poverty status (year 2015) (as percentage of population)**
27 Sept 2015: Side-Event at UNGA – Costa Rica

- H.E. Mr. Luis Guillermo Solís Rivera, President of Costa Rica
- H.E. Mr. Tshering Tobgay, Prime Minister of Bhutan
- H.E. Mr. Juan Orlando Hernández, President of Honduras
- H.E. Mr. Kenny Anthony, Prime Minister of Saint Lucia
- H.E. Mr. Wu Hongbo, Under-Secretary-General for Economic and Social Affairs, UN, delivering a message of the UN Secretary General

Plus 15 speakers from Philippines, Colombia, South Africa, Ecuador, Vietnam, Chile, Islamic Development Bank, Georgia, Panama, Arab League, Senegal, USAID, UNESCWA, Germany, and Mexico
7 March 2016: Side-Event at UN Statistics Commission

Heads of Statistical Offices presented:

• Mauricio Perfetti, Colombia
• José Rosero, Ecuador
• Julio Santaella, Mexico
• Aboubacar Sedikh Beye, Senegal
• Pali Lehohla, South Africa (Chair)
• Hedi Saidi, Tunisia
• Sabina Alkire, Oxford & GW

Reflections from the floor were offered by chief statisticians in Cuba, Egypt, Peru, Philippines, Morocco, and by Martin Evans at UNICEF.
22 Sept 2016: Side-Event UNGA – S Africa with Seychelles

16 speakers from South Africa, Honduras, Colombia, St Vincent and the Grenadines, Costa Rica, Seychelles, Bangladesh, Philippines, Colombia, Tanzania, Ecuador, Mexico, World Bank, Islamic Development Bank, UNDP, UNICEF shared their passion to fight poverty in all its forms and dimensions, moderated by OPHI.

- South Africa called for **Restless Commitment**.
- Honduras’ President called for an **Alliance to leave no one behind**.
- Colombia’s President said their **MPI helped coordinate effective action**.
- Philippines’ Secretary showed the MPI as a **target** in their **National Plan**.
- Ecuador’s Minister showed how multidimensional poverty fits their **cosmovision**.
- UNICEF observed that **child poverty is inherently multidimensional**
- Islamic Development Bank seeks to reduce MPI in its member countries.
- The World Bank signalled **interest in many countries** in joining this work.
Some MPPN Activities


- MPPN country members & OPHI played an active role in IAEG on SDG Indicators, including in the meetings at Bangkok and Mexico
- OPHI/SESRIC/IDB partnered to deliver 7-day training in Senegal (Nov. 2015)
- UNDP-LAC *Regional Human Development Report* related to MD Poverty (June 2015).

South-south cooperation

- DANE (Colombia) and INEGI (Mexico) provided support to Costa Rica during the process of development and calculation of their national MPI
- China is now having poverty reduction cooperation with ASEAN and African Union; Sharing experiences with Latin America countries. China is playing an important role in South-south cooperation.
- DANE has supported El Salvador and Costa Rica in their communication strategy. Giving a training course to journalist about how to understand and publish statics on multidimensional poverty.
Some MPPN Activities


- South-south cooperation
  - DPS Colombia has welcomed MPPN members such as Honduras, Panama and Brazil to see the process of developing and using MPIs.
  - CONEVAL (Mexico) and DPS (Colombia) attended the MPI Launch in Honduras (August 2016).
  - DPS (Colombia) attended the launch in El Salvador.
  - UNDP- Cuba organised a workshop on multidimensional poverty measurement: representatives from Colombia, Dominican Republic, Mexico, Ecuador and El Salvador attended and presented their experiences (September 2016).
  - CONEVAL (Mexico) has provided support to different countries such as Iran, Algeria, Honduras, Costa Rica, Argentina, South Africa, Peru and El Salvador in aspects related to poverty and social programmes.
New Members of MPPN per region since Cartagena

• África
  – Botswana
  – Chad
  – Rwanda
  – Sudan
  – Tanzania
  – Uganda

• Asia
  – Bangladesh

• Américas
  – Argentina
  – Bolivia
  – Jamaica
  – Panamá

• New International Institutions
  – UNICEF