

The Fourth Annual Multidimensional Poverty Peer Network (MPPN) Meeting
Acapulco, Mexico, November 8-9, 2016
Participants from 51 countries, plus international and regional agencies

Communiqué

Network Participants in Acapulco:

Endorse the MPI within the SDGs and Support National MPIs

1. **The network and its participants endorse the use of a Multidimensional Poverty Index (MPI) in the SDGs, to track Target 1.2**, because this rigorous yet intuitive statistic makes visible *interlinkages* across SDG indicators, supports *integrated* and *coordinated multi-sectoral policies*, and is *disaggregated* to support interventions that *leave no one behind*.

Countries may report their *national MPI*, or the *global MPI*, depending upon which exist and which definitions they are committed to halving by 2030.

2. **The network and its participants encourage the development and adoption of national MPIs as official complementary poverty statistic**, as well as regional MPIs and specific MPIs using the same methodology. National MPIs complement national monetary poverty measures. Each plays its own part in poverty reduction strategies. And together they make a strong pair.
3. **The network will continue as field leaders to develop policy-relevant tools of measurement, evaluation, policy design and analysis**. And in doing so, will engage the academic and research communities in the vital task of fighting poverty effectively, using data from parsimonious yet powerful surveys and other sources.
4. **The network will develop institutionally** to consolidate, expand and sustain participants' activities and ensure that the emerging field of multidimensional poverty measurement and analysis is **built to last**.
5. **The network will endorse the use of MPIs and monetary poverty statistics rather than GDP per capita to guide Development Assistance**.

1. **The network and its participants endorse the use of a Multidimensional Poverty Index (MPI) in the SDGs, to track Target 1.2**, because this rigorous yet intuitive statistic makes visible *interlinkages* across SDG indicators, supports *integrated* and *coordinated multi-sectoral policies*, and is *disaggregated* to support interventions that *leave no one behind*.

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Target 1.2 of the Sustainable Development Goals (SDGs) clearly recognize the multidimensionality of poverty and calls on countries to reduce poverty in all its forms by half by 2030 according to national definitions.

The network endorses the use of the Multidimensional Poverty Index (MPI) to track this target.

The MPI can play a critical role in ensuring no one is left behind. This is a people-centered index that reflects poverty as poor people often describe it, and captures the multiple deprivations poor people face at the same time.

- Built to reflect *interlinkages* across a number of SDGs, the MPI supports *integrated and coordinated policy*.
- Based on the Alkire Foster methodology and the work, analysis and decisions of national experts, the MPI is rigorous yet easy to understand: it reflects the *percentage* of people who are poor and the average *intensity* of their poverty.
- The MPI is always *broken down* by indicator in the poverty report to show how people are poor, which provides levers for a policy response.
- An MPI can be *disaggregated* by groups (for example by gender, ethnicity, age and region), to show inequality – if any groups are being *left behind*.
- An MPI provides *political incentives* to reduce poverty by reflecting changes precisely. It can also be used to *monitor* inclusive growth and to *map* linkages between poverty and environmental threats.

What do countries report?¹ There are three indicator options.

- 1) Report a **National MPI** – an official statistic of poverty reflecting national definitions – if the country has a national MPI and seeks to halve it by 2030.
- 2) Report the **Global MPI** – an indicator published by UNDP covering over 118 developing countries – or similar regional measures, if the country does not have a national MPI, or seeks to halve the global MPI by 2030.
- 3) Report **both National and Global MPIs**. Just as SDG indicator 1.1.1 gives \$1.90/day global monetary poverty figures and 1.2.1 provides the national monetary poverty figures. Similarly, both MPI figures provide complementary information.

¹ At present countries are reporting for SDG Indicator 1.2.2 the percentage of people who are poor according to the global MPI, or their national MPI or both measures. The logic for using the global MPI is that the target of cutting by half the population makes sense for a measure of very acute poverty such as the global MPI. The logic for using national MPIs is that these measures reflect national development priorities, are updated regularly by countries and profile poverty ‘according to national definitions.’ How does a country that has both measures choose whether to report one or both MPIs? National MPIs may not necessarily be compatible with the SDG target 1.2 of halving the incidence by 2030, in which case the Global MPI is reported for this target, and National MPIs are tracked as the official national statistics.

A Global MPI requires light, regular and high quality surveys covering key indicators. The Network calls for short-term investments in data collection and long-term investments in capacity building and in the transformation of statistical systems and their links to policy.

2. **The network and its participants encourage the development and adoption of national MPIs as official complementary poverty statistics**, as well as regional and specific MPIs using the same methodology. National MPIs complement national monetary poverty measures. Each plays its own part in poverty reduction strategies. And together they make a strong pair.

Poverty is unacceptable. A rapidly increasing number of policymakers and statisticians around the world are using or designing official national multidimensional poverty measures to improve their abilities to tackle poverty in their context. MPPN actors exchange experiences in measurement design and its energetic application in public policy communications, and engagement with other stakeholders. They also interchange experiences, offer trainings in policy, measurement, and communications, and organise field trips and joint events. Most use the Alkire Foster (AF) methodology and the related empirical techniques, and use the national MPI to complement monetary poverty measures. Each measure plays its own part in poverty reduction strategies. And together they make a strong pair.

The network invites other governments to join the network, take advantage of its South-South exchanges and be part of this growing number of countries exploring and adopting rigorous yet simple multidimensional poverty measures to guide policy.

The network also proactively engages other groups and sub-national bodies that are using, advocating and advancing multidimensional measures of poverty and well-being.

National MPIs have been used for targeting, for evaluation, for policy coordination, for resource allocation, for monitoring and communication. By showing how different dimensions of poverty overlap and interconnect, the MPI helps to join the silos of poverty policies. And by disaggregation it draws attention to the poorest groups and places, helping to ensure that no one is left behind. It also provides political incentives to reduce the many different aspects of poverty together, because effective interventions can be easily monitored and celebrated. By bringing under one index a number of programs handled by different ministries, MPI has been a powerful tool for helping to improve governance and policy coordination.

3. **The network will continue as field leaders to develop policy-relevant tools of measurement, evaluation, policy design and analysis.** And in doing so, will engage the academic and research communities in the vital task of fighting poverty effectively, using data from parsimonious yet powerful surveys and other sources. Just as well, the MPPN can promote the use of the MPI to guide the Corporate Social Responsibility investments, and the design and implementation of Private Public Partnerships (SDG #16), in order to channel the Private sector resourcer's towards the human development issues most needed within the countries, as indicated by the MPI Data

One of the strengths of the MPI methodology has been its rigor and robustness. The network will continue to facilitate research that generates the tools for policy analysis and data collection that MPPN members demand. It will advance research on topics such as

the determinants of multidimensional poverty reduction (at the household level and via growth, public expenditure, institutions and other interventions). It will support improved child poverty and gendered poverty measures, MPIs that include environmental variables, and MPIs linked to well-being. It will develop tools and processes that facilitate the communication of MPIs to citizens, the private sector, and policy actors. And it will support the implementation of parsimonious yet powerful surveys that provide improved MPI indicators.

4. **The network will develop institutionally** to consolidate, expand and sustain participants' activities and ensure that the emerging field of multidimensional poverty measurement and analysis is **built to last**.

The methodological research and implementation of multidimensional poverty indices and techniques has now reached a stage where a critical and rapidly-growing mass of countries and international agencies are engaged. Implementation of this professional, cutting-edge methodology is being driven primarily by the MPPN and its participants. The Network will pursue funding and institutional development to consolidate, expand and sustain participants' work, and ensure that the new field of multidimensional poverty measurement and analysis is built to last.

5. **The network will endorse the use of MPIs and monetary poverty statistics** rather than GDP per capita **to guide Development Assistance**

Currently donor countries utilize a monetary measure to determine if a country has graduated from low-income country to middle income country—a graduation that then affects the flows of development assistance to that country. The growing recognition of the importance of MPI of reflecting the living conditions in countries should, the Network suggests, gain more prominence in the determination of development assistance in comparison to GDP per capita.

Background Note: The MPPN

The MPPN was established in response to overwhelming demand from such policymakers for support in exploring, developing and implementing multidimensional poverty measures as tools of management and governance. Since its launch in 2013, the MPPN has grown considerably. This South-South network for knowledge exchange, now draws together Ministers and senior officials from over 50 governments and a growing number of international and regional institutions

The Network enables early adopters to share their experiences with newcomers to multidimensional poverty measurement. It provides peer-to-peer technical, statistical and policy support, as well as input into the design and institutional arrangements for successful multidimensional poverty eradication. Through meetings, knowledge sharing, and informal exchange, the Network supports policymakers to develop more effective poverty eradication policies grounded in multidimensional measures of poverty. Its vision is a world in which poverty in all its forms is measured, tracked over time – and eventually eliminated.