

PRESS RELEASE



25 Countries Halved Multidimensional Poverty Within 15 Years, but 1.1 Billion Remain Poor

Clear progress has been made, though full impact of COVID-19 pandemic remains to be seen.

New York City, 11 July 2023 – The latest update of the global Multidimensional Poverty Index (MPI) with estimates for 110 countries was released today by the United Nations Development Programme (UNDP) and the Oxford Poverty and Human Development Initiative (OPHI) at the University of Oxford. The report demonstrates that poverty reduction is achievable. However, the lack of comprehensive data over the COVID-19 pandemic poses challenges in assessing immediate prospects.

The analysis of trends from 2000 to 2022, focused on 81 countries with comparable data over time, reveals that 25 countries successfully halved their global MPI values within 15 years, showing that rapid progress is attainable. These include Cambodia, China, Congo, Honduras, India, Indonesia, Morocco, Serbia, and Viet Nam.

Notably, India saw a remarkable reduction in poverty, with 415 million people exiting poverty within a span of just 15 years (2005/6–19/21). Large numbers of people were lifted out of poverty in China (2010–14, 69 million) and Indonesia (2012–17, 8 million).

Countries halved their MPI in periods as short as four to 12 years, demonstrating the feasibility of the Sustainable Development Goal (SDG) target of halving poverty according to national definitions within 15 years. Thus, it is crucial to consider context-specific multidimensional poverty indices that reflect national definitions of poverty, since the global MPI assesses multidimensional poverty with the same methodology.

Despite these encouraging trends, the lack of post-pandemic data for most of the 110 countries covered by the global MPI restricts our understanding of the pandemic's effects on poverty.

Pedro Conceição, Director of the Human Development Report Office, observed: "As we reach the mid-point of the 2030 Agenda for Sustainable Development, we can clearly see that there was steady progress in multidimensional poverty reduction before the pandemic. However, the negative impacts of the pandemic in dimensions such as education are significant and can have long-lasting consequences. It is imperative that we intensify efforts to comprehend the dimensions most negatively affected, necessitating strengthened data collection and policy efforts to get poverty reduction back on track."

Judging from the few countries where data were solely collected in 2021 or 2022 – Mexico, Madagascar, Cambodia, Peru, and Nigeria – momentum on poverty reduction may have persisted during the pandemic. Cambodia, Peru, and Nigeria showed significant reductions in their most recent periods, offering hope that progress is still possible. In Cambodia, the most encouraging case among these, the incidence of poverty fell from 36.7% to 16.6%, and the number of poor people halved, from 5.6 million to 2.8 million, all within 7.5 years, including pandemic years (2014–2021/22).

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PRESS RELEASE



However, the full impacts globally remain to be measured. With a renewed emphasis on data collection, we need to broaden the picture to include the impacts of the pandemic on children. In over half the countries covered, there was either no statistically significant reduction in child poverty or the MPI value fell more slowly among children than among adults during at least one period. This suggests that child poverty will continue to be a pressing issue, particularly in relation to school attendance and undernutrition.

"The astonishing scarcity of data on multidimensional poverty is hard to comprehend, let alone justify. The world is reeling under a data deluge and gearing up for the next era of digital growth. Yet we do not have a post-pandemic line of sight for 1 billion of the 1.1 billion poor people", said Sabina Alkire, Director of OPHI at the University of Oxford.

The global MPI both monitors poverty reduction and informs policy, showing how people experience poverty in different aspects of their daily lives – from access to education and health, to living standards such as housing, drinking water, sanitation, and electricity. The MPI as a poverty index can be pictured as a stacked tower of the interlinked deprivations experienced by poor individuals, with the aim of eliminating these deprivations.

According to the 2023 release, 1.1 billion out of 6.1 billion people (just over 18%) live in acute multidimensional poverty across 110 countries. Sub-Saharan Africa (534 million) and South Asia (389 million) are home to approximately five out of every six poor people.

Nearly two-thirds of all poor people (730 million people) live in middle-income countries, making action in these countries vital for reducing global poverty. Although low-income countries constitute only 10% of the population included in the MPI, these are where 35% of all poor people reside.

Children under 18 years old account for half of MPI-poor people (566 million). The poverty rate among children is 27.7%, while among adults it is 13.4%. Poverty predominantly affects rural areas, with 84% of all poor people living in rural areas. Rural areas are poorer than urban areas across all regions of the world.

The MPI sheds light on the complexity of poverty – where different indicators contribute to people's experience of poverty differently, varying from region to subnational region, and between and within communities. Ensuring that the data on global poverty is up-to-date and comprehensive is a crucial first step in addressing these challenges and maintaining progress towards a more equal world.

To learn more about the 2023 Multidimensional Poverty Index, visit: hdro.undp.org and ophi.org.uk

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