

MULTIDIMENSIONAL POVERTY INDEX 2015

22 June 2015

HIGHLIGHTS ~ EAST ASIA & PACIFIC

At present, the Global MPI has national estimates for ten countries in the East Asia and the Pacific (EAP) region, which are home to 1.89 billion people, which is nearly 93% of the population of East Asia and the Pacific. Of these, nearly 139 million people are MPI poor. On average, 7.3% of people in EAP are MPI poor, and the average intensity of poverty for each poor person is 42.4%.

In 2015, we have updated MPI estimations for China, Mongolia and the Philippines, and for 25 of their subnational regions. The inclusion of 2012 data for China makes this a major update and provides new estimations for 82% of the population covered and of 62% the MPI poor people in the region. A separate briefing elaborating the China findings in particular will be online 22 June (Alkire and Shen 2015).

Diversity within the Region (in terms of H or incidence): As a region, East Asia and the Pacific has lower poverty rates than the Arab States, South Asia, or Sub-Saharan Africa, and higher rates than Latin America or Europe and Central Asia. However, diversity within the region is not insignificant. In four countries less than 10% of the populations are MPI poor; in the Philippines and Indonesia, poverty rates are 11% and 15.5%, respectively. However, in Vanuatu and Lao PDR, the rates are much higher at 30% and 34%, respectively. Cambodia and Timor Leste are the poorest countries in the region, with 46% and 68% of their populations respectively living in acute multidimensional poverty.

Diversity within the Region (in terms of A or intensity): The pattern is similar in terms of intensity, with two striking differences. The average intensity of poverty in Cambodia is lower than in the Philippines, despite the fact that its incidence is much higher. In Lao, each poor person is deprived in more than half of the MPI dimensions (51%), which is very high: in Timor Leste, with twice the poverty rates of Lao, each poor person is deprived in 53% of deprivations simultaneously.

In some countries within EAP, as in Latin America, Arab States and Europe and Central Asia, the Global MPI rates are very low, so the Global MPI – which measures acute multidimensional poverty – should be complemented by a measure of moderate multidimensional poverty, whose indicators and cutoffs better reflect the aspirations and standards of poverty in this region.

- **Data:** The 2015 Global MPI estimations for EAP are taken from surveys fielded 2005/06-2013. Four are Demographic and Health Surveys (Cambodia, Indonesia, Philippines and Timor-Leste), four are Multiple Indicator Cluster Surveys (Mongolia, Thailand, Vanuatu, Vietnam), one is a DHS/MICS (Lao PDR), and for China's MPI we use the China Family Panel Studies. The most recent data are for Philippines (2013), China (2012), and Indonesia (2012), followed by Lao PDR (2011/12), and Vietnam (2011). Indonesia's and Lao PDR's MPI estimations were released in 2014, so between 2014 and 2015, we have updated MPI estimations for half of the countries and 91% of the population and MPI poor people in the countries covered. Seven of the 10 EAP countries covered have MPI estimations based in surveys that have been fielded 2010-2013.
- We also have disaggregated data for 117 **subnational regions** in **nine** of the 10 **EAP countries** (all except Vanuatu). These regions vary greatly in size indeed, as China is divided into only three

major regions. Across these regions, the MPI poverty rates range from less than 5% in 11 subnational regions, to 61-87% in 15 regions.

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- **Intensity** varies greatly **subnationally** as well – in 18 subnational regions, poor people on average experience deprivations in 40% or less of the weighted indicators of the global MPI. But in 25 subnational regions the average intensity is 50% or greater – half of the MPI dimensions.
- We decompose eight EAP countries into 117 subnational regions. **The poorest region in the EAP countries** is Oecussi in East Timor, followed by Mondol Kiri/Rattanak Kiri in Cambodia and Saravane in Lao PDR.
- We now have destitution figures for all East Asian and Pacific Countries except Vanuatu. Our **measure of destitution** identifies a subset of poor people as destitute if they experience a number of extreme deprivations like severe malnutrition, losing two children, having all primary-aged school children out of school, and practicing open defecation. However, here is the rather large surprise: on average, across EAP countries covered a total of 36.6 million people, or **26% of MPI poor people are destitute**. This figure, like that of MPI, is polarized but with some differences: Thailand has the lowest rates of destitution and in, Vietnam, China, Mongolia and Philippines, 2% or less of the population are destitute. It is interesting that in China, 27% of MPI poor people are destitute whereas in Philippines it is 19%. In Indonesia 4% of the population are destitute, in Lao PDR and Cambodia 13 to 14%, and in Timor Leste, 49% of the population are destitute, which corresponds to a high ratio of 72% of MPI poor people being also destitute.