

MULTIDIMENSIONAL POVERTY INDEX 2016

2 June 2016

HIGHLIGHTS ~ EAST ASIA & PACIFIC

All data will be live on www.ophi.org.uk/multidimensional-poverty-index/ on Wednesday 2 June.

At present, the Global MPI has national estimates for ten countries in the East Asia and the Pacific (EAP) region, which are home to 1.9 billion people, which is over 93% of the population of East Asia and the Pacific. Of these, nearly 137 million people are MPI poor. On average, 7.2% of people in EAP are MPI poor, whereas a greater proportion – 11.2% – are poor according to the \$1.90/day poverty measure (212 million). The average intensity of poverty for each MPI poor person is 43.5%.

In 2016, we have updated MPI estimations for Vietnam and Cambodia, and for 25 of their subnational regions. In Cambodia's poorest region of Preah Vihear & Steung Treng, 62% of people are poor whereas in Phnom Penh, it's 7%. Vietnam's poorest region of Northern Midlands and Mountain area, 14% of people are poor, whereas in Red River Delta it's 3.8%. Thus once again the subnational statistics give detailed information which national aggregates cannot.

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 33% 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 (33% vs 11%). 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 2016 Global MPI estimations for EAP are taken from surveys fielded 2005/06-2014. 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 Cambodia (2014), Vietnam (2013/14), Philippines (2013), China (2012), and Indonesia (2012), followed by Lao PDR (2011/12). Thailand has the oldest data at 2005/6, followed by Vanuatu at 2007. The remaining EAP countries covered have MPI estimations based in surveys that have been fielded 2010-2014.
- 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 10 subnational regions, to 61-87% in 14 regions.

- **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 22 subnational regions the average intensity is 50% or greater – half of the MPI dimensions.
- Across 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.
- For the first time, we now have destitution figures for all East Asian and Pacific Countries. 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. In total, across EAP countries covered, a total of 34 million people **are destitute**. This figure, like that of MPI, is polarized but with some differences: In Thailand, Vietnam, China, Mongolia and Philippines, 2% or less of the population are destitute. In Indonesia 4% of the population are destitute, but in Cambodia this rises to 10%; in Lao PDR and Vanuatu, 13% 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.