

MPI in the SDGs

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Why measure MPI in the SDGs?

To strengthen policies that fight poverty

In particular, MPI supports these SDG priorities

- **Integrated, coordinated policy (break Silos)**
- **Inclusiveness (disaggregation by groups)**
- **Universality (acute & moderate poverty)**
- **Data Revolution (do-able, adds value)**
- **Global Monitoring (complement \$1.90)**

The 17 SDGs

(169 targets, 231 indicators)

- Goal 1 End poverty in all its forms everywhere
- Goal 2 End **hunger**, achieve **food security** and improved **nutrition** and promote **sustainable agriculture**
- Goal 3 Ensure **healthy** lives and promote **well-being** for all at all ages
- Goal 4 Ensure inclusive and equitable quality **education** and promote lifelong learning opportunities for all
- Goal 5 Achieve **gender** equality and empower all women and girls
- Goal 6 Ensure availability and sustainable management of **water and sanitation** for all
- Goal 7 Ensure access to affordable, reliable, sustainable and modern **energy** for all
- Goal 8 Promote sustained, inclusive and sustainable **economic growth**, full and productive **employment** and **decent work** for all
- Goal 9 Build resilient **infrastructure**, promote inclusive & sustainable industrialization and foster innovation
- Goal 10 Reduce **inequality** within and among countries
- Goal 11 Make **cities** and human settlements inclusive, safe, resilient and sustainable
- Goal 12 Ensure **sustainable consumption and production** patterns
- Goal 13 Take urgent action to **combat climate change** and its impacts*
- Goal 14 Conserve and sustainably use the **oceans**, seas and marine resources for sustainable development
- Goal 15 Protect, restore and promote sustainable use of terrestrial **ecosystems**, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
- Goal 16 Promote **peaceful** and **inclusive** societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- Goal 17 Strengthen the means of implementation and revitalize the **global partnership** for sustainable development

The 17 SDGs

- 1. Poverty**
- Hunger & Nutrition
- Health & Well-being
- Education & Learning
- Gender & Empowerment
- Water & Sanitation
- Energy
- Growth & Decent Work
- Infrastructure & Innovation
- Inequality
- Urban areas
- Sustainable consumption & production
- Climate Change
- Oceans & Seas
- Ecosystems & Biodiversity
- Peace & Justice
- Global Partnership

July 19 2014: Open Working Group

The OWG included Multidimensional Poverty as Target 2 of its Goal 1 ‘End Poverty in All its Forms’.

This achievement was in part due to vocal and proactive leadership by MPPN countries (Mexico, Colombia, and Peru – plus Guatemala)

SDG Target 1.2

By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

UNSG Report December 2014:

2.1 Shared ambitions for a shared future:

50. All contributions underlined that we should continue the march of the MDGs. But they have also stressed that Member States will need to fill key **sustainable development gaps left by the MDGs, such as the multi-dimensional aspects of poverty**, decent work for young people, social protection and labour rights for all.

4.1 Financing our future:

100. **Levels of concessionality** should take into account different development stages, circumstances and **multiple dimensions of poverty**, and the particular type of investment made.

5.1 Measuring the new dynamics:

135. Member States have recognized the importance of building on existing initiatives to develop measurements of progress ... These metrics must be squarely focused on measuring social progress, human wellbeing, justice, security, equality, and sustainability. **Poverty measures should reflect the multi-dimensional nature of poverty**.

69th Session of UN General Assembly

A resolution of the UNGA (A/RES/69/238) on 19 December 2014 reasserted the need for multidimensional measures as a necessary conceptual framework for the global community to measure and tackle extreme poverty.

5. [UNGA] *Underlines* **the need to better reflect the multidimensional nature of development and poverty**, as well as the importance of developing a common understanding among Member States and other stakeholders of that **multidimensionality** and reflecting it in the context of the post-2015 development agenda, and in this regard invites Member States, supported by the international community, to consider developing complementary **measurements**, including methodologies and indicators for measuring human development, that better reflect that **multidimensionality**.

Transforming Our World – Final SDG document

Target 1.2: by 2030, reduce at least by half the proportion of men, women and children of all ages **living in poverty in all its dimensions** according to national definitions.

Preamble. We recognise that **eradicating poverty in all its forms and dimensions**, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development.

Preamble Sept 2015:

The interlinkages and integrated nature of the Sustainable Development Goals are of crucial importance .

From Measures to Indicators:

A long and unfinished journey

Preliminary List of Proposed Indicators Feb 2015: included MPI

1.2

By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

1.2.1 Multidimensional Poverty Index (MPI) disaggregated by sex and age group (UNDP, WB)

1.2.2. Proportion of population living below national poverty line, disaggregated by sex and age group (UNDP, WB)

Source: Various household surveys such as Household Budget Survey, Demographic Health Surveys, Multiple Indicators Cluster Surveys, and Welfare Monitoring Surveys. The information is consolidated by National statistical offices, UNDP, WB and UNDESA

Comment: For MPI data collection, current capacity of countries is uneven and will need to be strengthened. . If the indicator is created on individual characteristics like age, sex, and ethnicity, individual-unit record data will be needed.

Financing for Development 2015

May 6 report:

119. We further call on the United Nations, in consultation with the IFIs to develop **transparent measurements of progress** on sustainable development that complement GDP, building on existing initiatives. These should **recognize the multi-dimensional nature of poverty** and the social, economic, and environmental dimensions of domestic output. We will also support statistical capacity building in developing countries. We agree to develop and implement tools to monitor sustainable development impacts for different economic activities, including for sustainable tourism.

The Addis Ababa Accord of the Third International Conference on Financing for Development, Revised Draft, 6 May 2015

**MEASURING VISION 2063 TOWARDS
SUSTAINABLE DEVELOPMENT IN AFRICA
A costed Strategy for Harmonisation of Statistics
in Africa (SHaSA)**

Adopted in Pretoria, May 2015

Compiled by:

Heads of National Statistics Offices of African countries
African Union Commission
United Nations Economic Commission for Africa
African Development Bank
African experts and elders
Young African Statisticians

Objective: to provide the African Statistical System with a robust framework for providing harmonised and quality statistics for the design and implementation as well as monitoring and evaluation of integration and development policies as well as development programmes in Africa.

SDG Goal	SDG Target	SDG Indicator	Data sources	Agenda 2063 Goals
SDG GOAL 1: End poverty in all its forms everywhere in the world	1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day	The share of the population living on less than \$1.25 (PPP) a day.	LCS	AIA Goal 1: A High Standard of Living, Quality of Life and Well Being for All
		Poverty gap index (income)	LCS	
	1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions	Multidimensional poverty index	GHS/LCS	
		The share of the population below the national poverty line.	LCS	
		share of the population living between the poverty line and the 1.5 times the national poverty line.	LCS	
		Poverty gap index (consumption)	LCS	

SDSN Indicator Report

In reports issued in November 2014, February and May 2015, the SDSN presents the MPI as Indicator 3 of Goal 1 (“End poverty in all its forms everywhere”).

Indicator 3: Multidimensional Poverty Index: To ensure our conceptualization of multidimensional poverty is firmly rooted in the Open Working Group Outcome Document and proposed SDGs, we support the creation of a revised MPI. At a minimum this “**MPI2015**” would track extreme deprivation in nutrition, health, education, water, sanitation, clean cooking fuel and reliable electricity, to show continuity with MDG priorities... We therefore **propose using the Alkire and Foster method of calculation**, and setting a threshold of multiple deprivations, to determine who is or is not considered poor.

- 9 indicators – dropping flooring.

IAEG on SDG Indicators

- The Inter-agency Expert Working Group on the SDG Indicators met for the first time 1-2 June 2015.
- UN Statistics Division proposed a list of two priority (tier 1) indicators for each goal.
- The two proposed Tier I indicators for poverty are:
 1. \$1.25/day measures and 2. national income poverty.
- National income poverty was designated to measure target 1.2: poverty ‘in all its dimensions’.
- Meeting focused on process; need for country leadership.
- Countries objected to 1.2 as it was monetary only.

Label	Description	Name and description of selected priority indicator	Provide data source/s	Name of entity responsible for global monitoring (if available). Indicate for how many countries data are available (if known)
Goal 1	End poverty in all its forms everywhere			
Target 1.1	By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than \$1.25 a day.	Proportion of population below \$1.25 (PPP) per day, with disaggregations of it by sex and age group.	Household surveys (LFS, HIES, LSMS, Integrated HH surveys, etc.)	World Bank
Target 1.2	By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions.	Proportion of population living below national poverty line, disaggregated by sex and age group	Household surveys	World Bank Data availability: Unicef: Data available for all countries that have household income or consumption surveys SPC: data are widely available and used by Pacific Island countries, most of which have now two data points; ILO: working poverty available by employment status for 44 countries;

Process to finalise SDG indicators

- June 2015-September 2015 – comments (1200 pages).
 - MPI proposed as the measure of Target 1.1 by **Africa**.
 - Target 1.2 re-proposed instead of national poverty measures by **Denmark, Mexico, Colombia, Turkey, and World Bank**
 - MPI proposed as an additional priority (tier 1) indicator by **Cape Verde, Colombia, Cuba, the Philippines, UNICEF and UNDP**

Defining SDG indicators

- **Bangkok 26-28 October** – 2nd Meeting of the InterAgency Expert Group on SDG indicators. Indicators were discussed.
 - Indicator 1.2.2 now reflects poverty ‘in all its dimensions’
 - 90 minutes of discussion; this is a new indicator
 - OPHI was an observer. The lead is countries.
 - Countries agreed it was ‘green’ and to be included
- **8–11 March 2016: 47th Session of the UN Statistical Commission:** Released draft of 231 SDG indicators.
- **Late March 2016:** 3rd meeting of IAEG group on SDG indicators. MPI is to be explicitly named in 1.2.2

19 July 2016: 1st SDGs Report



The Sustainable Development Goals Report
2016

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Overlooked poverty in all its dimensions

(used \$1.90,
youth employment,
social protection)

Goal 1: End poverty in all its forms everywhere

Goal 1 calls for an end to poverty in all its manifestations, including extreme poverty, over the next 15 years. All people everywhere, including the poorest and most vulnerable, should enjoy a basic standard of living and social protection benefits.

- ▶ The proportion of the global population living below the extreme poverty line dropped by half between 2002 and 2012, from 26 to 13 per cent. This translated to one in eight people worldwide living in extreme poverty in 2012. Poverty remains widespread in sub-Saharan Africa, where more than 40 per cent of people lived on less than 1.90 US dollars a day in 2012.
- ▶ In 2015, 10 per cent of the world's workers and their families were living on less than 1.90 US dollars per person per day, down from 28 per cent in 2000.
- ▶ Young people aged 15 to 24 are most likely to be among the working poor: 16 per cent of all employed youth were living below the poverty line in 2015, compared to 9 per cent of working adults.
- ▶ About one in five people received any type of social assistance or social protection benefits in low-income countries compared with two in three people in upper-middle-income countries.

1 in 8 people lived in extreme poverty in 2012



Social assistance or social protection benefits



Interlinkages group: may explore MPI

Interaction	Name	Explanation	Example
+3	Indivisible	Inextricably linked to the achievement of another goal.	Ending all forms of discrimination against women and girls is indivisible from ensuring women's full and effective participation and equal opportunities for leadership.
+2	Reinforcing	Aids the achievement of another goal.	Providing access to electricity reinforces water-pumping and irrigation systems. Strengthening the capacity to adapt to climate-related hazards reduces losses caused by disasters.
+1	Enabling	Creates conditions that further another goal.	Providing electricity access in rural homes enables education, because it makes it possible to do homework at night with electric lighting.
0	Consistent	No significant positive or negative interactions.	Ensuring education for all does not interact significantly with infrastructure development or conservation of ocean ecosystems.
-1	Constraining	Limits options on another goal.	Improved water efficiency can constrain agricultural irrigation. Reducing climate change can constrain the options for energy access.
-2	Counteracting	Clashes with another goal.	Boosting consumption for growth can counteract waste reduction and climate mitigation.
-3	Cancelling	Makes it impossible to reach another goal.	Fully ensuring public transparency and democratic accountability cannot be combined with national-security goals. Full protection of natural reserves excludes public access for recreation.

Countries: taking initiative

The MPI (national, global, or both) will be reported for SDG 1.2.2 to track SDG target 1.2 by a number of countries including:

Bhutan

Ecuador

Honduras

Mexico

Philippines

Peru

Seychelles

Vietnam

Colombia

World Bank: taking initiative

The World Bank is considering how to measure poverty in non-monetary dimensions

And whether to include an MPI headline

This is via the Atkinson Commission, whose final report will be launched in September 2016

The Atkinson Commission:

Poverty Measurement within the World Bank

- The Atkinson Commission was set up to report to the Chief Economist of the World Bank, Kaushik Basu.
- The commission sought input from its advisors incl AF
- It launched an online interactive portal strikingpoverty.worldbank.org/conversations/commission-global-poverty-share-your-ideas-measuring-extreme-poverty
- A preliminary draft was discussed 13 July 2016 in the Bank.
- The final report will be issued in September 2016.

The Atkinson Commission:

Poverty Measurement within the World Bank

Focal Questions of the Commission:

1. How to use future PPPs in poverty measures
2. Should the WB retain 2011 PPPs and make adjustments based on national CPIs?
3. Should the WB create 'PPPs for the poor'?
4. How should the global poverty line be adjusted?
5. How to adjust for spatial differences in cost-of-living within countries
6. How to compare consumption/expenditure and income poverty.
Should equivalence scales be used or simply per capita?
7. Should poverty be disaggregated by rural/urban, sex of household head, etc?
8. Merits of introducing relativity into the global poverty line
- 9. Should multidimensional poverty be measured by dashboard or an MPI?**
- 10. Which dimensions of poverty should be tracked?**
11. Should agencies invest in imputation-based poverty estimates?

MPI in the SDGs: Points under discussion

- What is to be cut by ‘half’ – national MPIs or global? (it matters!). If global, poor countries get more priority; if national, danger of incentivising countries to set ‘low’ or ‘high’ MPI values for political motives.
- What should go into an SDG MPI? New indicators?
- How will hh surveys change with SDG ‘data revolution’?
- What official institution(s) will compute global MPI?

Why measure MPI in the SDGs?

To strengthen policies that fight poverty

- Integrated, coordinated policy (break Silos)
- Inclusiveness (disaggregation by groups)
- Universality (acute & moderate poverty)
- Data Revolution (do-able, adds value)
- Interlinkages (efficient and cost-effective)
- Global Poverty Headline (with \$1.90)