

### **KEY FINDINGS**

### 2019 GLOBAL MULTIDIMENSIONAL POVERTY INDEX

The 2019 global Multidimensional Poverty Index (MPI) paints a detailed picture of poverty around the globe, going beyond simple monetary measures to look at how people experience poverty every day. For example, it considers whether people are healthy, have access to clean water or have been to school. With information on the nature and extent of multidimensional poverty across the world, policy makers can better respond to the call of Sustainable Development Goal (SDG) 1 to end poverty in all its forms.

The 2019 edition of the global MPI covers 101 countries comprising 5.7 billion people. This is about 76 percent of the global population. People living in multidimensional poverty are deprived in at least one-third of the weighted indicators in health, education and living standards.

It no longer makes sense to think of countries as being rich or poor. More than two-thirds - 886 million - of the people living in multidimensional poverty live in middle-income countries. The 2019 global MPI looks at poverty through an inequality lens to see who is catching up and who is being left behind.

- Of the 1.3 billion multidimensionally poor people worldwide, 886 million more than two-thirds of them live in middle-income countries. About one third of the MPI poor 440 million people live in low-income countries.
- Poor people are, of course, not spread evenly across a country. For instance, the incidence of
  multidimensional poverty in Uganda (a low-income country) is 55.1 percent similar to the
  average for Sub-Saharan Africa. But look more closely and Uganda is a microcosm of Africa: the
  poverty rate ranges from 6.0 percent in Kampala to 96.3 percent in Karamoja meaning that
  regions of the country span the Sub-Saharan Africa extremes of MPI incidence from South
  Africa to South Sudan.
- Across the subnational regions of middle-income countries, the incidence of multidimensional poverty varies from zero to 86.7 percent. For low income countries it ranges 0.2 percent to 99.4 percent.

Disaggregating the global MPI reveals striking inequalities within regions and countries; and yields a new understanding of where multidimensionally poor people live.

- Sub-Saharan Africa and South Asia are home to the largest proportion of multidimensionally poor people (84.5 percent of all multidimensionally poor people live in these two regions), but the incidence of multidimensional poverty varies enormously across countries. In Sub-Saharan Africa, it goes from 6.3 percent in South Africa to 91.9 percent in South Sudan. In South Asia it ranges from 0.8 percent in the Maldives to 55.9 percent in Afghanistan.
- Action against poverty is needed in other regions too. Yemen (47.7 percent), Timor-Leste (45.8 percent), and Haiti (41.3 percent) all show relatively high incidences of multidimensional poverty.

To get a full picture of poverty, we need to look at both its depth and breadth. Average rates tell us nothing about the different ways people experience poverty. The global MPI provides this analysis, looking both at the numbers of poor people and the intensity of their poverty.

- Poorer countries tend to exhibit not just higher numbers of people living in multidimensional
  poverty, but also a higher intensity, with each poor person deprived in more indicators (i.e. they
  suffer poverty more intensely).
- Some countries have a similar incidence of poverty but with quite a different intensity. For instance, in Malawi and Nigeria just over half of people are multidimensionally poor (52.6 percent and 51.4 percent, respectively), but the intensity of poverty differs (46.2 percent and 56.6 percent, respectively).

Poverty has many faces. Countries like Nigeria, Pakistan, Sudan and Haiti show high levels of inequality among the poor, meaning that there is greater heterogeneity here among those living in multidimensional poverty.

- Inequality among multidimensionally poor people (measured by 'variance' from each person's deprivation score) tends to increase with MPI value, but there is a wide variation across countries: For example, Egypt and Paraguay have similar MPI values (around 0.190), but inequality among multidimensionally poor people is much higher in Paraguay (variance of 0.013) than in Egypt (0.004).
- Pakistan and Bangladesh show the highest inequality among the poor in South Asia; Sudan and Yemen, in the Arab States and Haiti in Latin American and the Caribbean.
- When average intensity is highly diverse, as in Nigeria and Pakistan, there is a particular need to
  ensure that policies are tailored to different groups of poor people. The needs of the most and
  the least intensely deprived might be quite different.

Disaggregating the global MPI by age reveals inequality across groups. A higher proportion of children than of adults are multidimensionally poor, and the youngest children bear the greatest burden.

- Of the 1.3 billion people who are MPI poor, nearly half of them (a total of 663 million) are children, and 32 percent (428 million) are younger than 10.
- The poverty rate for children is twice as high as for adults: One in three children is multidimensionally poor, while for adults it is one in six.
- Children are more likely than adults to be multidimensionally poor and deprived in all indicators that is they suffer poverty with a higher intensity.
- In Burkina Faso, Chad, Ethiopia, Niger and South Sudan around 90 percent or more of children under 10 years old are multidimensionally poor.

# Spotlight on child poverty in South Asia reveals gaps within the same household and gender disparities.

- In South Asia 22.7 percent of children under the age of five experience intrahousehold inequality in nutrition where at least one child in the household is malnourished but at least one child in the household is not. In Pakistan over a third of children under the age of five experience intrahousehold inequality in nutrition.
- While 10.7 percent of South Asian girls are out of school and live in a multidimensionally poor household (compared to 9.0 percent of boys), that average hides wide variation among countries: in Afghanistan, it is 44.0 percent of girls (compared to the 24.8 percent of boys).

In a preview of an ongoing study<sup>1</sup> exploring trends over time, there was a large reduction in the number of poor people living in the group of countries<sup>2</sup> examined: a decrease from 1.1 billion to 782 million.

- This improvement occurred despite the rapid population growth in African countries over the period 2004 to 2018. In the three African countries, growth in population outstripped the reduction in the poverty rates resulting an increase in the total number of poor people in the Democratic Republic of Congo, Ethiopia and Nigeria.
- In India, which reduced the MPI the fastest, 271 million people left poverty between 2005/06 and 2015/16, with the poorest regions, groups, and children, reducing poverty fastest as reported last year.
- India experienced the fastest absolute reductions in MPI, which takes into account both incidence and intensity. Bangladesh also registered a fast decline, followed by Ethiopia and Haiti. Peru witnessed the largest reduction relative to its starting MPI.

Deprivations among the poorest 40 percent of the population in this group of countries studied went down faster than the overall average.

<sup>1</sup> The changes over time analyses uses harmonized datasets so that trends can be rigorously investigated by indicator and disaggregated by population group.

<sup>&</sup>lt;sup>2</sup> The countries come from each world region and span income categories: upper-middle (Peru), lower-middle (Bangladesh, India, Nigeria, Pakistan, Viet Nam) and low (Democratic Republic of Congo, Ethiopia, Haiti).

• In all of the ten countries analysed other than Ethiopia, deprivations went down faster among the bottom 40 percent than the rest of the population. This pattern was particularly strong in India and Peru, as well as in the Democratic Republic of Congo and Bangladesh. In relative terms growth in the attainments of the bottom 40 percent exceeded overall growth in all countries.

# In all countries studied there were significant improvements in many aspects of people's education, health and living standards, but data show there are different ways of making progress.

• Ethiopia, India and Peru significantly reduced deprivations in all 10 indicators. Though each had greatest success in different areas. Ethiopia made the largest improvements in nutrition, school attendance, drinking water and assets. India strongly improved nutrition, sanitation, cooking fuel and assets. And Peru developed clean energy, electricity, housing and assets. The other countries significantly reduced deprivations in many—but not all 10—indicators: Bangladesh reduced deprivations in nine, Haiti reduced deprivations in eight and Democratic Republic of the Congo and Pakistan reduced deprivations in six.

# Despite progress, in all countries studied rural areas are still poorer than urban areas and children are still poorer than adults.

- There have been positive trends in reducing these gaps in Haiti, India and Peru, where poverty reduction in rural areas outpaced urban areas—a pro-poor development.
- Child poverty fell markedly faster than adult poverty in Bangladesh, Haiti, India and Peru. However, in the other countries studied, children either fell further behind, as in Ethiopia, or their progress stalled together with adults as in the Democratic Republic of Congo and Pakistan.

## Multiple lenses are needed to track poverty and inequality.

- Poverty is complex. There is little or no correlation between economic inequality, as measured by the Gini coefficient, and MPI.
- The MPI, economic inequality and the Inequality-Adjusted HDI each contribute important and distinctive analyses for policy action to ensure that we leave no one behind.

#### 2019 global MPI technical note:

- The 2019 edition of the global Multidimensional Poverty Index (MPI) covers 101 countries comprising 5.7 billion people. This is about 76 percent of the global population.
- In 2019, the global MPI covers 99% of the population of Sub-Saharan Africa, 95% of the population of South Asia, 95% of the population of East Asia and the Pacific, 81% of the population of Latin America and the Caribbean, 81% of the population of the Arab States, and 32% of the population of Eastern Europe and Central Asia.
- The 2019 global MPI uses new datasets from 14 countries: Albania DHS 2017/18; Benin DHS 2017/18; Republic of Congo MICS 2014/15; Haiti DHS 2016/17; Iraq MICS 2018; Jordan DHS 2017/18; Lao PDR MICS 2017; Maldives DHS 2016/17; Pakistan DHS 2017/18; Philippines DHS 2017; Senegal DHS 2017; Sierra Leone MICS 2017; South Africa DHS 2016; and Tajikistan DHS 2017.

- Surveys used for the 2019 MPI computation include 50 Demographic and Health Surveys (DHS), 42 Multiple Indicator Cluster Surveys (MICS), one DHS-MICS and eight national surveys that provide comparable information to DHS and MICS.
- Surveys are from various years depending on the most recent available data for each country, ranging from 2007 to 2018. The vast majority of people covered (5.2 of the 5.7 billion, and 1.2 of the 1.3 billion MPI poor people) are captured by surveys fielded in or after 2013.
- The number of people living in multidimensional poverty has been computed using UNDESA/Population Division's estimates of total population for the year 2017 for all countries.
- People living in multidimensional poverty are deprived in at least one-third of the weighted indicators in health, education and living standards. The indicators include: nutrition, child mortality, years of schooling, school attendance, cooking fuel, sanitation, water, electricity, flooring and asset ownership.
- People living in severe multidimensional poverty (or severe poverty) are deprived in at least half of the weighted indicators in health, education and living standards.
- People vulnerable to multidimensional poverty are deprived in 20 to 33 percent of the weighted indicators.
- The 2019 global MPI includes preview of a study on trends over time for a group of countries, covering Haiti and Peru; Bangladesh, India, Pakistan and Viet Nam; DRC, Ethiopia, Nigeria.