# UN Summit: Latin American countries take the lead in pressing for a new global poverty measure

Leaders from countries across Latin America and the Caribbean will be making the case at the forthcoming Sustainable Development Summit in New York for a new approach to measuring and combatting poverty in its multiple forms. This follows official recognition in UN development goals – for the first time – that poverty is more than a lack of income. A new global goal to end poverty 'in all its dimensions' will be included in the new <a href="Sustainable Development agenda">Sustainable Development agenda</a> due to be formally adopted at the UN Summit from 25-27 September 2015.

At a high-level event during the Summit hosted by the Government of Costa Rica on 27 September, the President of Costa Rica, the President of Honduras and the Prime Minister of Saint Lucia, as well as the Prime Minister of Bhutan, will be among leaders and ministers to consider how an official measure of multidimensional poverty - the Global Multidimensional Poverty Index (MPI) – could support the UN's new Sustainable Development Goals (SDGs) as a measure of progress towards poverty reduction. Specifically, they will highlight how the Global MPI and national MPIs, can be used as an indicator of target 1.2 of the SDGs – to halve the proportion of men, women and children living in poverty in all its dimensions.

The Global MPI, which speakers will propose as a Tier 1 indicator, complements traditional measures of income poverty and shows the combined disadvantages that poor people can suffer, such as low quality housing, malnutrition, poor sanitation or a lack of education. It can be broken down to show what poverty is like in different areas of a country and among different groups of the population, including where it is experienced most intensely.

The high level side event is organised by the Republic of Costa Rica with the support of the Multidimensional Poverty Peer Network (MPPN), a network of more than 40 governments and institutions that champions the use of multidimensional poverty measures alongside traditional income measures at both the global and national levels. It includes the governments of Brazil, Chile, Colombia, Cuba, Dominican Republic, Ecuador, El Salvador, Grenada, Honduras, Mexico, Peru, Saint Lucia and Uruguay, as well as the Economic Commission for Latin America and the Organisation of Eastern Caribbean States. The MPPN Secretariat is the Oxford Poverty & Human Development Initiative (OPHI), University of Oxford.

A growing number of Latin American countries are already designing their own national and regional measures of multidimensional poverty - using indicators of poverty relevant to their own specific contexts - enabling them to design more effective poverty-reduction programmes. The governments of Mexico, Colombia and Chile, as well as the state government of Minas Gerais in Brazil, have each adopted an official MPI, with many others in the process of development.

President of Costa Rica, Luis Guillermo Solís, said: "With the goal to end poverty 'in all its forms' firmly embedded within the post-2015 Sustainable Development agenda, it is now of great importance to develop poverty measures that go beyond income."

"The government of Costa Rica, alongside the diverse list of nations that make up the MPPN, is firmly committed to the use of a Global MPI as an indicator of progress within the SDGs, in order to ensure that international efforts to fight poverty leave no one behind."

"Costa Rica this year will officially launch a national MPI that will enable us to more clearly see the different types of disadvantage experienced by the poor. This will be instrumental in enabling us to target the many faces of poverty directly and effectively."

Director of OPHI, Sabina Alkire, said: "The SDG's call to fight poverty in 'all its forms and dimensions' is a huge step forward. Our hope now is that the SDGs will use a transparent, rigorous and policy-relevant indicator of multidimensional poverty to ensure we can accurately measure progress towards reducing it – both nationally and globally."

"By revealing the overlapping deprivations that people can face, MPIs can help energise a coordinated, effective and multi-sectoral attack on poverty in all its dimensions, targeted at those most in need."

Alongside Latin America, a rapidly increasing number of countries around the world are working on multidimensional poverty measures, including Pakistan, the Philippines, Malaysia, Mozambique, Tunisia and Vietnam. The governments of Bhutan and Ho Chi Minh City, Vietnam have also already launched official MPIs.

#### **Further information**

The high-level side event, 'Anchoring a Global Multidimensional Poverty Index within the SDGs', will take place from 13.15 – 14.45pm on 27 September 2015 in Conference Room 3 (CR3), United Nations Headquarters, New York.

Distinguished speakers at the event include:

- H.E. Mr. Luis Guillermo Solís Rivera, President of Costa Rica
- H.E. Mr. Tshering Tobgay, Prime Minister of Bhutan
- H.E. Mr. Juan Orlando Hernández, President of Honduras
- H.E. Mr. Kenny Anthony, Prime Minister of Saint Lucia
- South Africa
- H.E. Mr. Wu Hongbo, Under-Secretary-General for Economic and Social Affairs, United Nations
- Tatyana Orozco de la Cruz, Director of the Department for Social Prosperity of Colombia
- Pabel Muñoz, Minister of Planning and Development of Ecuador
- Marcos Barraza Gómez, Minister of Social Development of Chile
- H.E. Dr. Arsenio Balisacan, Socioeconomic Planning Secretary of the Philippines
- Dr. Savas Alpay, Chief Economist of the Islamic Development Bank

To attend, please email <a href="mppn@ophi.org.uk">mppn@ophi.org.uk</a> by Thursday 24 September. Please note that security will be tight and even participants with a UN Ground Pass need to be included in the attendance list to access the event.

# **Press enquiries**

To arrange an interview with Sabina Alkire, contact Joanne Tomkinson on +1 202 676-7625 / <u>joannetomkinson@hotmail.com</u>, and Felipe Roa-Clavijo on +1 202 486-8802 / <u>felipe.roa-clavijo@sant.ox.ac.uk</u> for Spanish language.

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#### **NOTES TO EDITORS**

### **Multidimensional Poverty Peer Network (MPPN)**

The MPPN provides international support to policymakers engaged in or exploring the construction of multidimensional poverty measures, including input into the design of the measures, and the political processes and institutional arrangements that will sustain them.

The network has three main <u>areas of work</u> as encapsulated by the <u>Communiqué</u> agreed at the <u>high-level meeting</u> of the network in Berlin in July 2014. Participants work together to promote:

- 1. National multidimensional poverty measurement;
- 2. Global multidimensional poverty measurement such as in the post-2015 process;
- 3. Joint research.

OPHI acts as the secretariat of the MPPN. For more information about the MPPN, please visit <a href="https://www.mppn.org/">www.mppn.org/</a>.

# Oxford Poverty and Human Development Initiative (OPHI)

OPHI is a research centre within the Oxford Department of International Development at the University of Oxford. OPHI is led by Sabina Alkire and works to develop and apply new ways of measuring and analysing poverty, human development and welfare, drawing on the work of Nobel Laureate economist Amartya Sen. For more information about OPHI, please visit www.ophi.org.uk/.

## Calculation of poverty using a Multidimensional Poverty Index (MPI)

The MPIs launched by Mexico, Colombia, Chile and Bhutan, as well as Ho Chi Minh City in Vietnam and Minas Gerais in Brazil, and the Global MPI estimated by OPHI and published in UNDP's *Human Development Reports*, are constructed using the <u>Alkire Foster (AF) Method</u>, a methodology developed by OPHI Director Sabina Alkire and Professor James Foster, OPHI Research Associate. Alkire and Foster are both Professors of Economics and International Affairs at George Washington University.

The AF Method involves counting the different types of deprivation (indicators of poverty) that individuals or households experience at the same time, such as a lack of education or employment, or poor health or living standards. These deprivation profiles are analysed to identify who is poor, and then used to construct a multidimensional poverty index (MPI).

The indicators of poverty may be equally weighted or take different weights. People are identified as multidimensionally poor if the weighted sum of their deprivations is greater than or equal to a poverty cut off – such as 20%, 33% or 50% of all deprivations. Further information on using the AF Method to construct an MPI is available in <a href="OPHI's new book">OPHI's new book</a>.