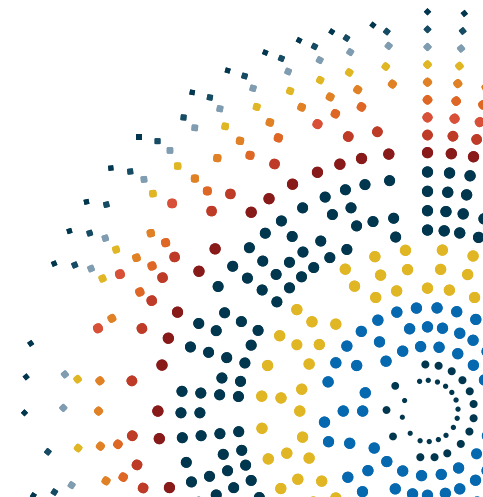# Developing a National Multidimensional Poverty Index in the Republic of Moldova
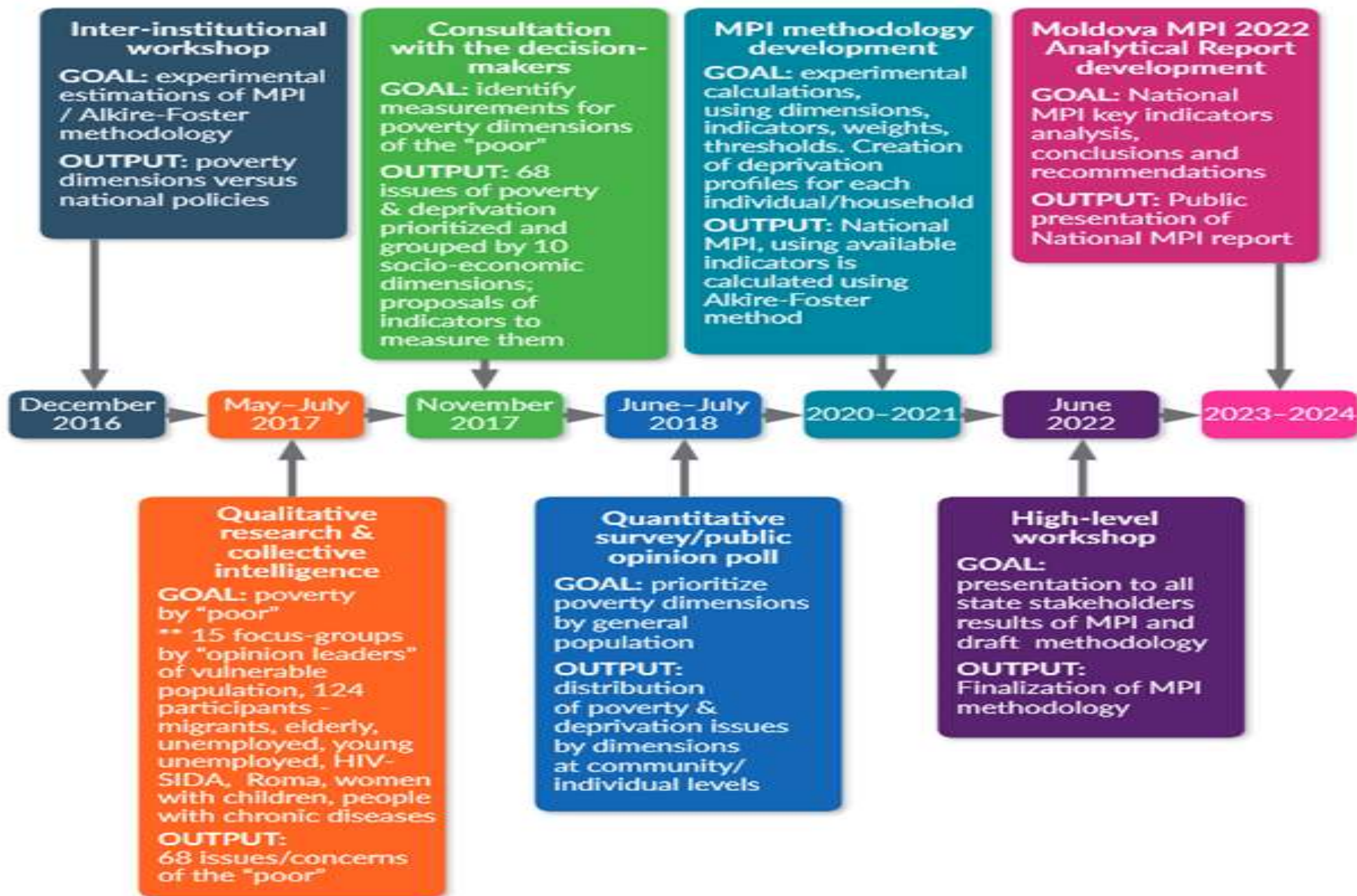
2024 Annual High-Level Meeting of the Multidimensional Poverty Peer Network
27-29 August 2024, Tashkent, Uzbekistan

Ina Emelianova, NBS Moldova

"For a poor person everything is terrible – illness, humiliation, shame. We are cripples; we are afraid of everything; we depend on everyone. No one needs us. We are

Process of designing a national MPI

Inter-institutional workshop

GOAL: experimental estimations of MPI / Alkire-Foster methodology

OUTPUT: poverty dimensions versus national policies

Consultation with the decision-makers

GOAL: identify measurements for poverty dimensions of the "poor"

OUTPUT: 68 issues of poverty & deprivation prioritized and grouped by 10 socio-economic dimensions; proposals of indicators to measure them

MPI methodology development

GOAL: experimental calculations, using dimensions, indicators, weights, thresholds. Creation of deprivation profiles for each individual/household

OUTPUT: National MPI, using available indicators is calculated using Alkire-Foster method

Moldova MPI 2022 Analytical Report development

GOAL: National MPI key indicators analysis, conclusions and recommendations

OUTPUT: Public presentation of National MPI report

December 2016 → May–July 2017 → November 2017 → June–July 2018 → 2020–2021 → June 2022 → 2023–2024

Qualitative research & collective intelligence

GOAL: poverty by "poor"
** 15 focus-groups by "opinion leaders" of vulnerable population, 124 participants – migrants, elderly, unemployed, young unemployed, HIV-SIDA, Roma, women with children, people with chronic diseases

OUTPUT: 68 issues/concerns of the "poor"

Quantitative survey/public opinion poll

GOAL: prioritize poverty dimensions by general population

OUTPUT: distribution of poverty & deprivation issues by dimensions at community/individual levels

High-level workshop

GOAL: presentation to all state stakeholders results of MPI and draft methodology

OUTPUT: Finalization of MPI methodology

TOPIC OF THE DAY

National Multidimensional POVERTY INDEX

Data source – Household Budget Survey

The main objectives of HBS

i)   measures of living standards,

ii)   consumption and income structure,

iii)   weights for consumer price index and

iv)   various estimates for the National Accounts.

Sample size – 1051 households per month;

✓ **Data collection method:**

-   paper based interview (face to face **interview** and self recording of diary)

✓ **Survey tools:**

- Household roster: socio and demographic characteristics, education, employment, housing, land, etc.

- Diary: income, expenditure (cash, in-kind)

What goods and services do households buy?

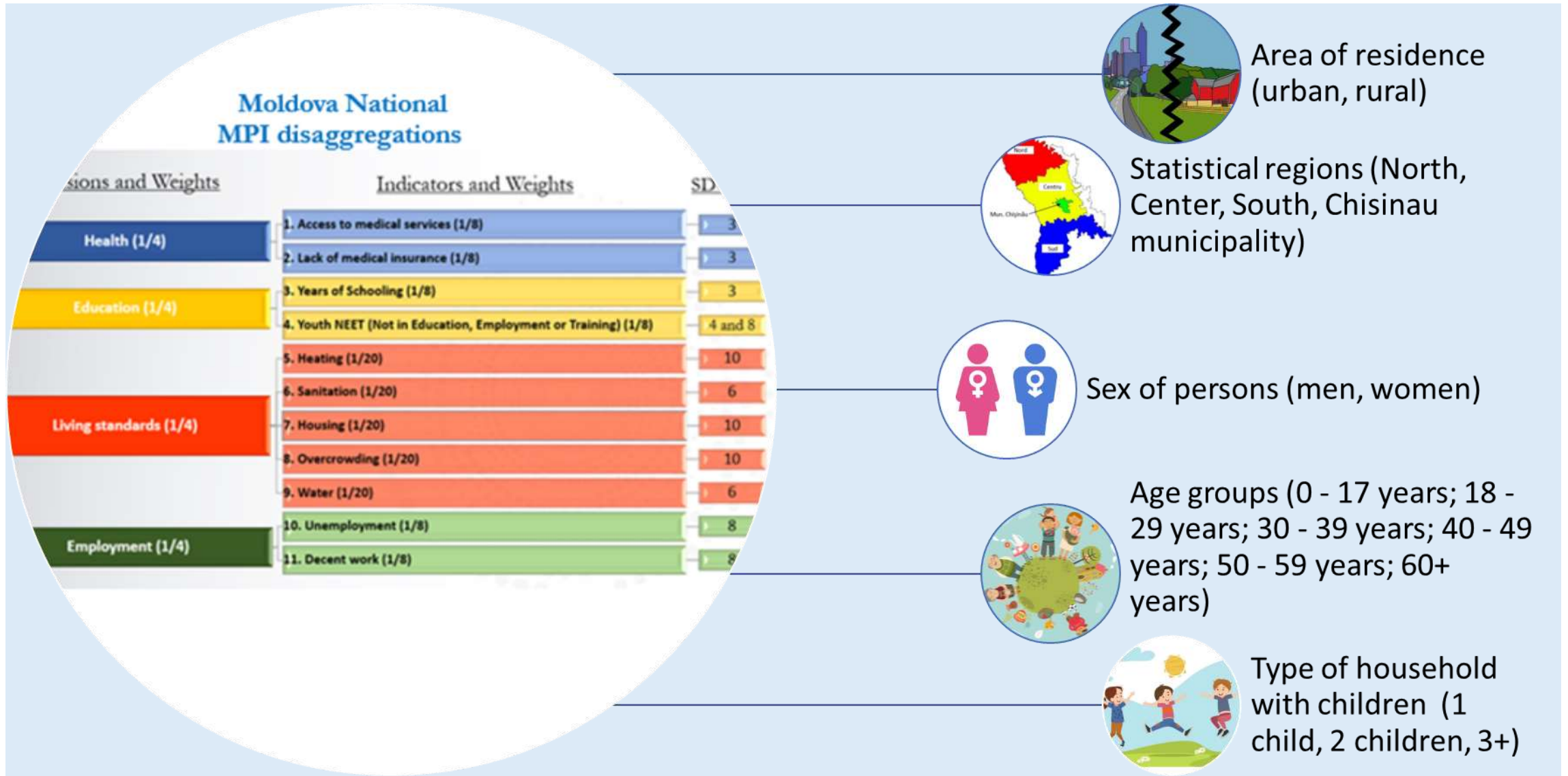# Moldova National MPI (Dimensions, Indicators and Weights)

Dimensions and Weights

Indicators and Weights

SDG Area

4 dimensions

Dimension	Indicator	SDG Area
Health (1/4)	1. Access to medical services (1/8)	3
	2. Lack of medical insurance (1/8)	3
Education (1/4)	3. Years of schooling (1/8)	3
	4. Youth NEET (1/8)	4 and 8
Living Standards (1/4)	5. Heating (1/20)	10
	6. Sanitation (1/20)	6
	7. Housing (1/20)	10
	8. Overcrowding (1/20)	10
	9. Drinking water (1/20)	6
Employment (1/4)	10. Unemployment (1/8)	8
	11. Decent work (1/8)	8

Moldova National MPI disaggregation

Moldova National MPI disaggregations

Dimensions and Weights	Indicators and Weights	SD.
Health (1/4)	1. Access to medical services (1/8)	3
	2. Lack of medical insurance (1/8)	3
Education (1/4)	3. Years of Schooling (1/8)	3
	4. Youth NEET (Not in Education, Employment or Training) (1/8)	4 and 8
Living standards (1/4)	5. Heating (1/20)	10
	6. Sanitation (1/20)	6
	7. Housing (1/20)	10
	8. Overcrowding (1/20)	10
	9. Water (1/20)	6
Employment (1/4)	10. Unemployment (1/8)	8
	11. Decent work (1/8)	8

Area of residence (urban, rural)

Statistical regions (North, Center, South, Chisinau municipality)

Sex of persons (men, women)

Age groups (0 - 17 years; 18 - 29 years; 30 - 39 years; 40 - 49 years; 50 - 59 years; 60+ years)

Type of household with children (1 child, 2 children, 3+)

Measuring Multidimensional Poverty in Moldova, experimental calculations

Incidence, intensity and value of MPI, 2022

Poverty Cutoff (k)	Index	Value
k-value=35%	Incidence (H), %	27.5
	Intensity (A), %	46.5
	MPI (Mo = H*A)	0.128

SOURCE: Authors' calculations based on data from 2022 HBS.
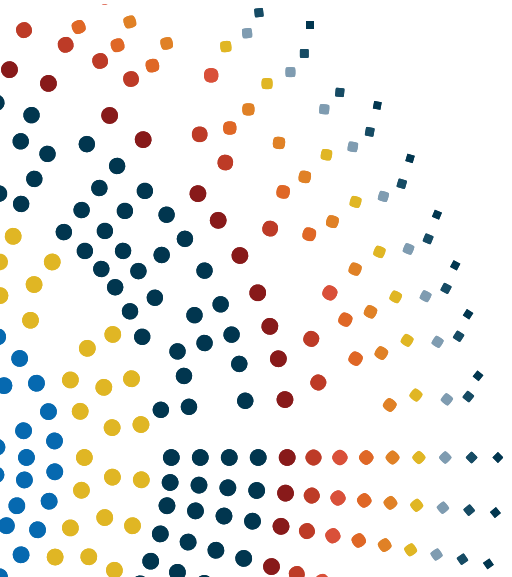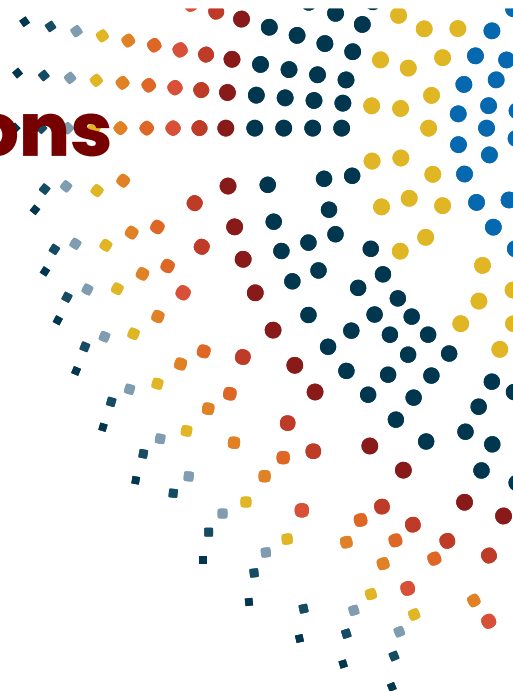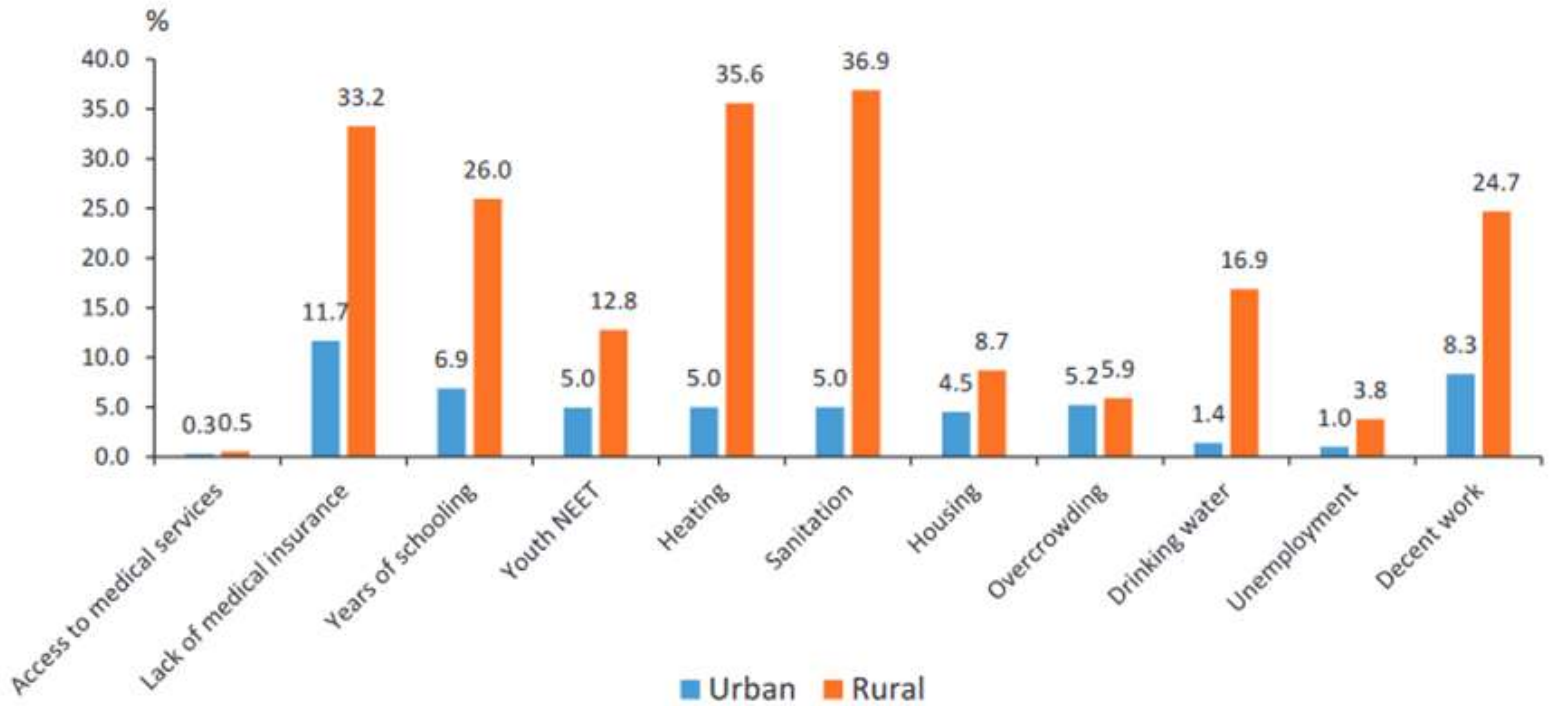
Intensity gradient among the poor, 2022

- 35% - 39.99%
- 40% - 49.99%
- 50% - 59.99%
- 60% - 69.99%
- 70% - 79.99%
- 80% - 89.99%
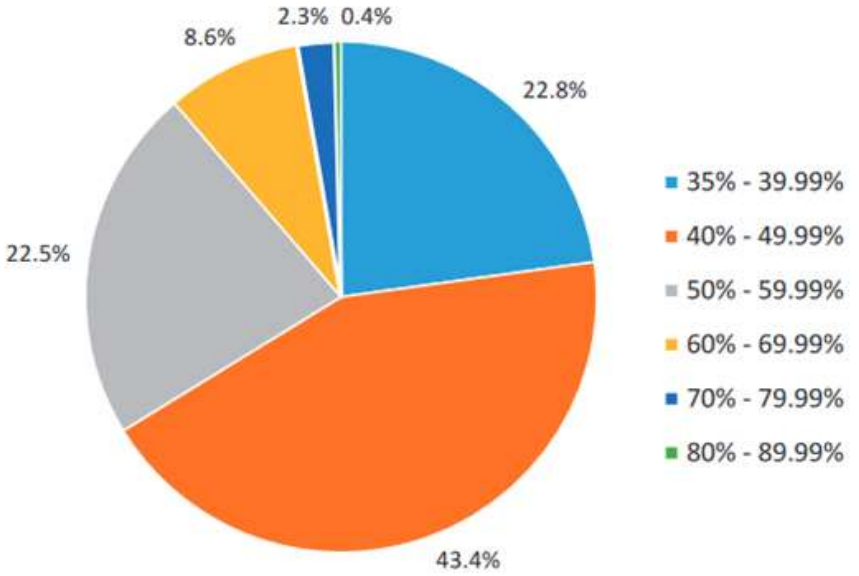
SOURCE: Authors' calculations based on data from 2022 HBS.

Urban and rural disparities, experimental calculations

Incidence, intensity and value of MPI, by area, 2022

	Population Share, %	Incidence (H), %	Intensity (A), %	MPI (Mo = H*A)
Urban	39.7	12.3	42.4	0.052
Rural	60.3	37.6	47.4	0.178

Censored headcount ratio, by area, 2022

	Urban	Rural
Access to medical services	0.3	0.5
Lack of medical insurance	11.7	33.2
Years of schooling	6.9	26.0
Youth NEET	5.0	12.8
Heating	5.0	35.6
Sanitation	5.0	36.9
Housing	4.5	8.7
Overcrowding	5.2	5.9
Drinking water	1.4	16.9
Unemployment	1.0	3.8
Decent work	8.3	24.7

Households with children in multidimensional poverty, experimental calculations

Incidence, intensity and value of MPI, by type of household, 2022

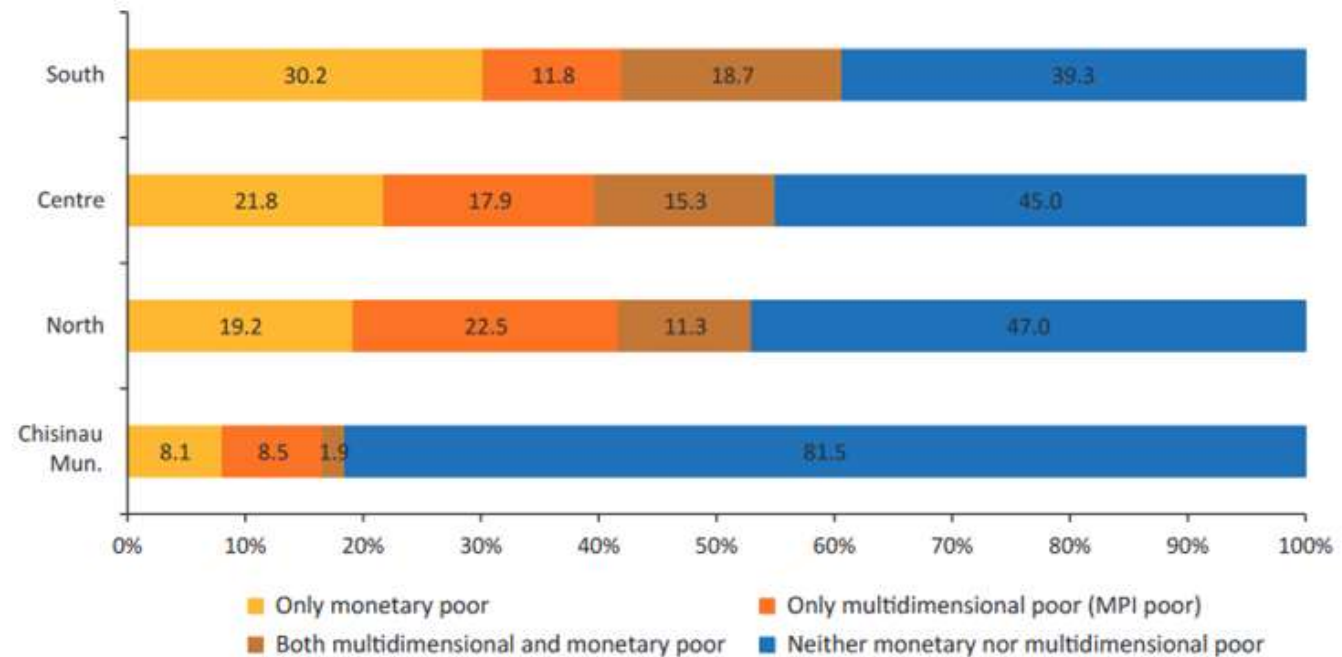|	Population Share, %	Incidence (H), %	Intensity (A), %	MPI (Mo = H*A)
Households with children	47.6	35.9	47.7	0.172
of which with:				
1 child	16.8	30.4	46.1	0.141
2 children	21.5	33.5	47.6	0.159
3 and more children	9.3	51.6	49.7	0.256
Households without children	52.4	19.3	44.6	0.089

Censored headcount ratio, by number of children, 2022
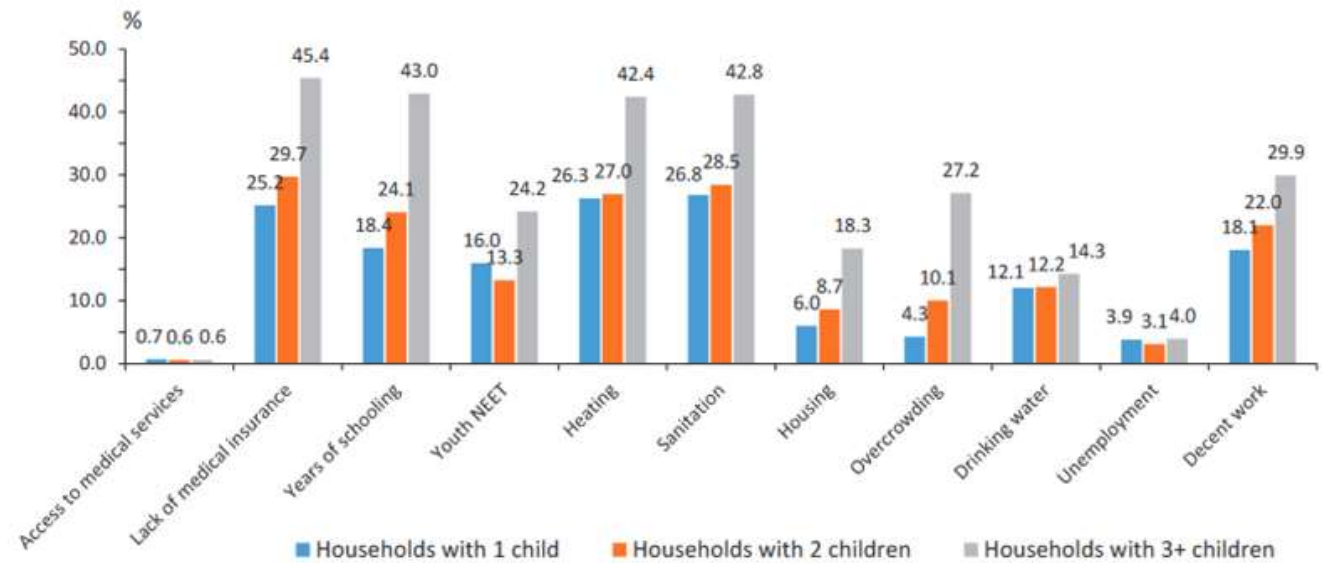
Multidimensional Poverty and Monetary Poverty, experimental calculations

Overlap between Monetary and Multidimensional poverty rates, 2022
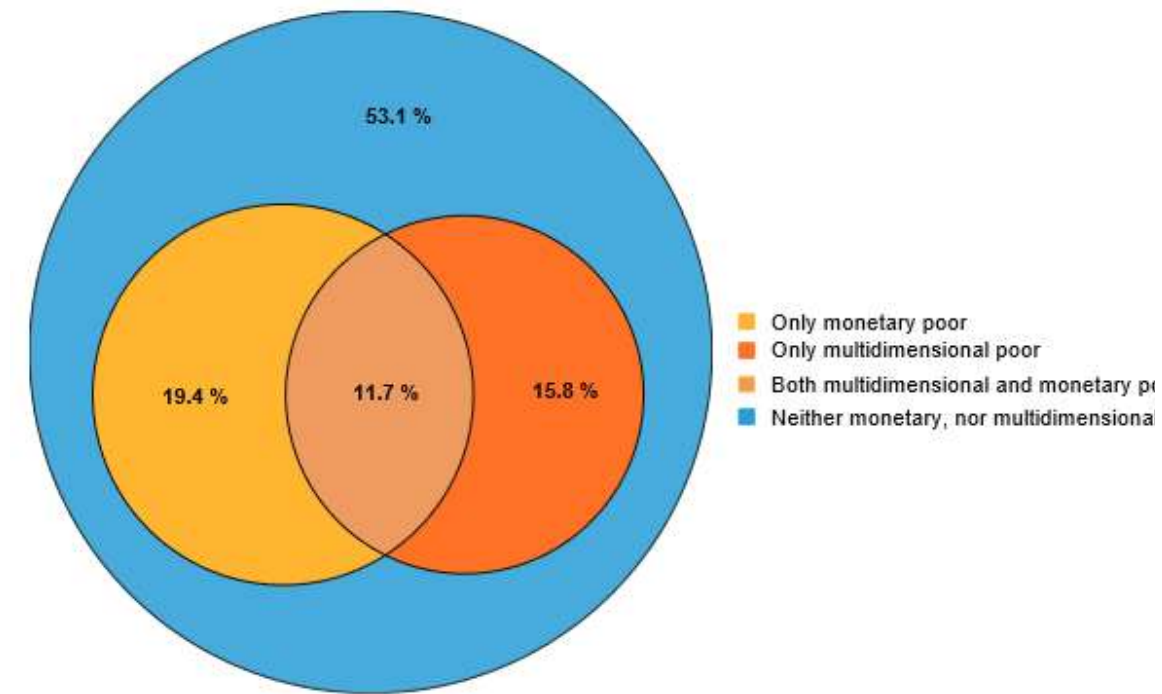
Overlap and differences in multidimensional headcount and monetary headcount by statistical regions, 2022

- Only monetary poor
- Only multidimensional poor
- Both multidimensional and monetary po
- Neither monetary, nor multidimensional

- Only monetary poor
- Only multidimensional poor (MPI poor)
- Both multidimensional and monetary poor
- Neither monetary nor multidimensional poor
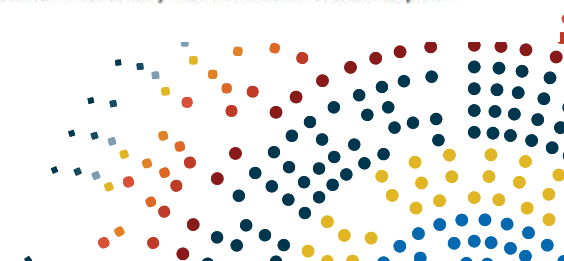
Next steps

- Calculating the national MPI with annual periodicity

- Placing the MPI on the [Platform dedicated to the Sustainable Development Goals (SDGs)](#) on https://statistica.gov.md

Obiectivele de Dezvoltare Durabilă

ANALYTICAL REPORT

ANALYSIS OF MULTIDIMENSIONAL POVERTY
in the Republic of Moldova in 2022

1 NO POVERTY

End poverty in all its forms everywhere

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 Proportion of population living below the national poverty line, by sex and age

Available

1.2.2 Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

Not available