



Developing Link MPIs for Policy

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“End poverty in all its forms everywhere”

(SDG 1) is a central goal of the development agenda of the Government of Sri Lanka



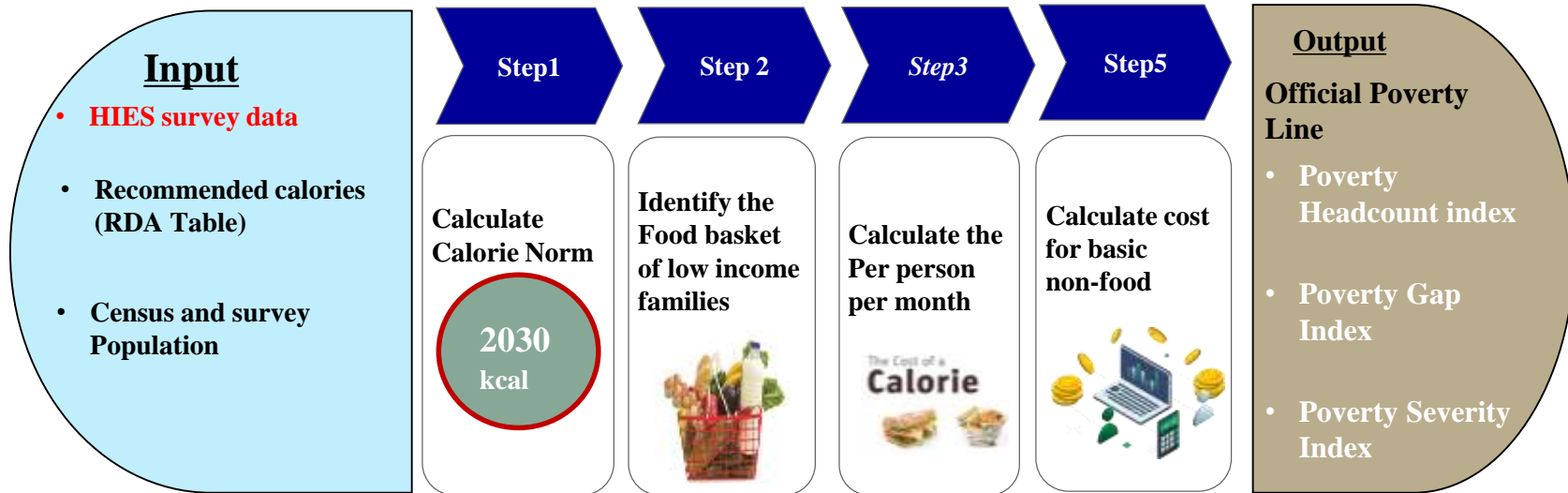


Measurement on poverty in Sri Lanka

Method on Calculation of poverty in Sri Lanka

➤ Household Income and Expenditure Survey (HIES)

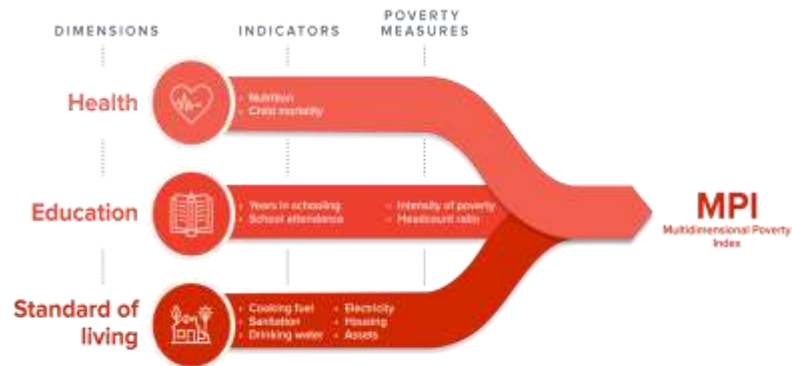
- HIES is the main input for measuring poverty in Sri Lanka – Cost of Basic Need Method



Method on Calculation of poverty in Sri Lanka cont.....

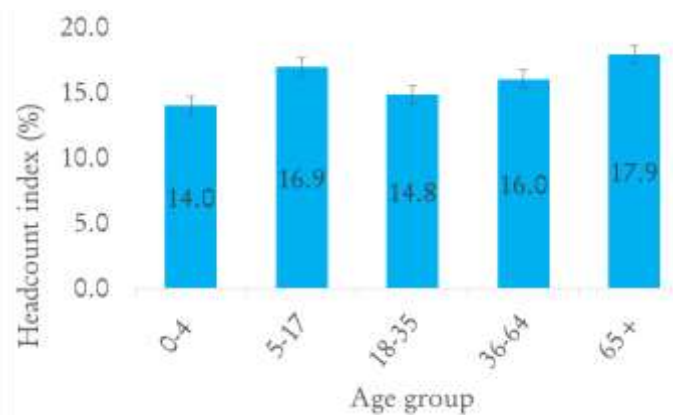
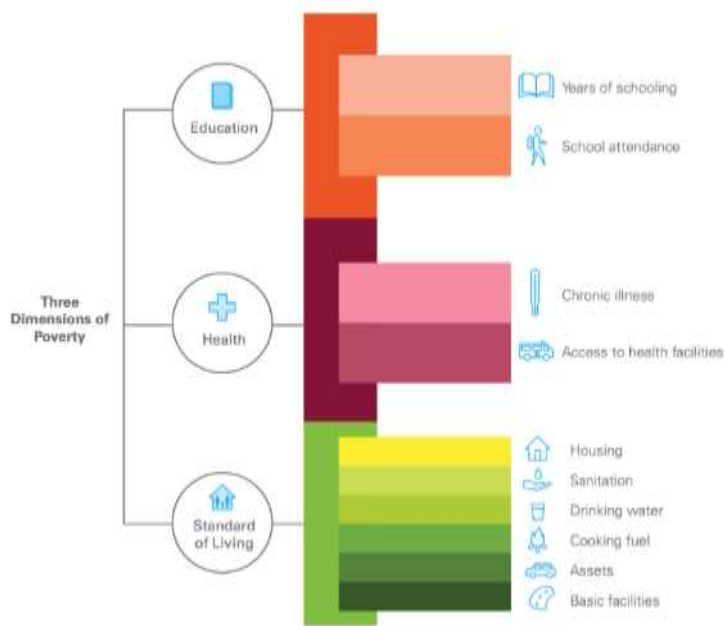
➤ Sri Lanka's Multidimensional Poverty Index 2019 (MPI) and Child MPI (CMPI)

- Historically, Sri Lanka measured poverty using a **monetary approach**;
- However, **poverty is a broader, multifaceted phenomenon that requires understanding the experiences of poor people with respect to many dimensions at the same time, such as education, health, living standards, and so on.**
- This information can be used to inform an integrated policy framework to reduce poverty effectively and efficiently.
- Based on a consultative process, Sri Lanka's national Multidimensional Poverty Index (national MPI) is constructed to reflect the national requirements for policymaking on poverty reduction; to further probe and support child poverty policies, DCS crafted an individual **Child MPI for children aged 0-4**.

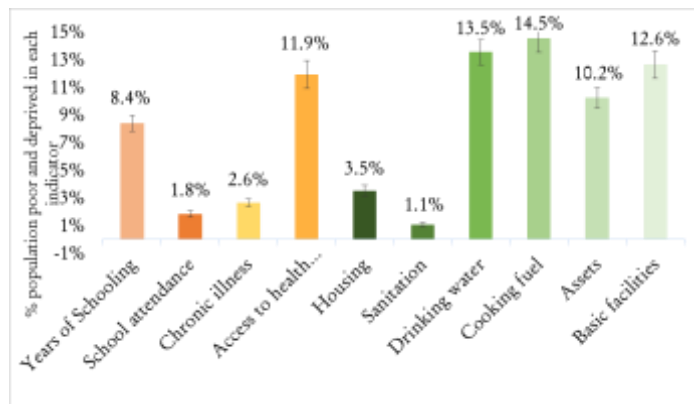


Method on Calculation of poverty in Sri Lanka cont.....

➤ Sri Lanka's Multidimensional Poverty Index 2019 (MPI)



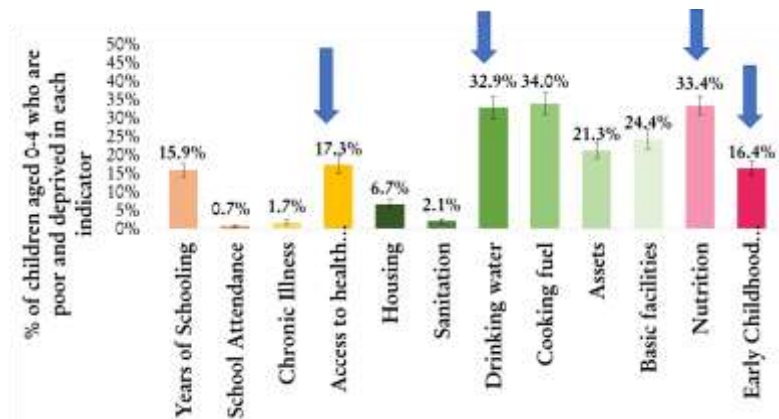
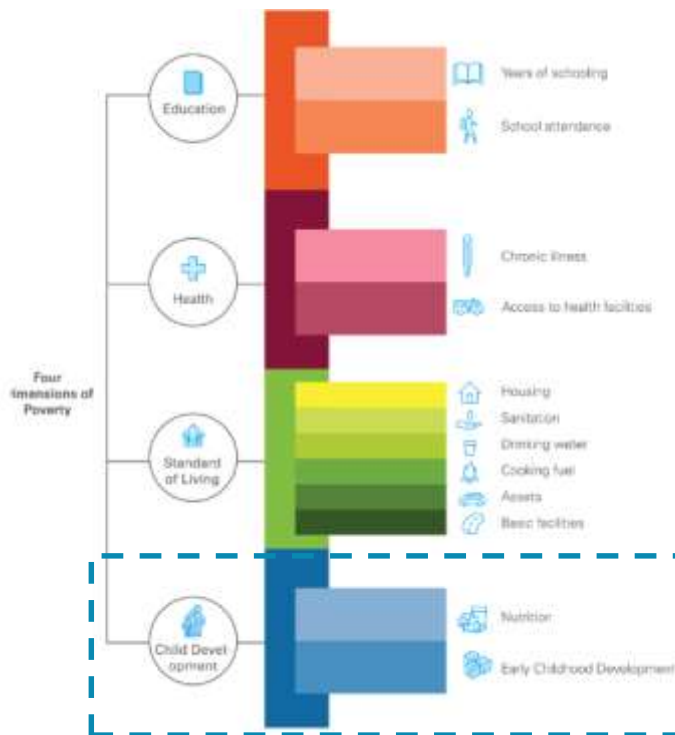
People aged 65 and older are the poorest



High Deprivations: Cooking fuel, drinking water, basic facilities, Access to health facilities

Method on Calculation of poverty in Sri Lanka cont.....

➤ Sri Lanka's Child Multidimensional Poverty Index 2019 (CMPI)



Nearly half of children 0-11 months and 4 years of age are poor, mainly due to undernutrition (0-11 months) and to not attending preschool (4 years)

Findings....

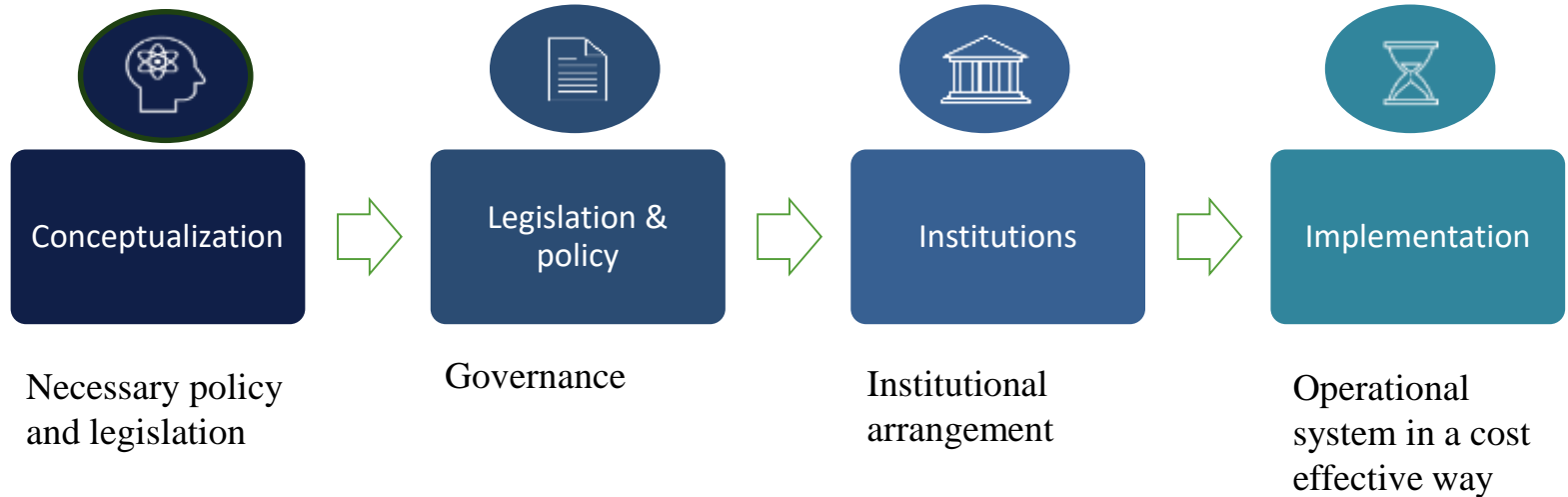
- One third (33.4 per cent) of children aged 0-4 years old are multidimensionally poor and either underweight or stunted.
- One sixth (16.4 per cent) of children aged 0-4 years old are multidimensional poor and deprived in early child development.



Developing Linked MPI for Policy

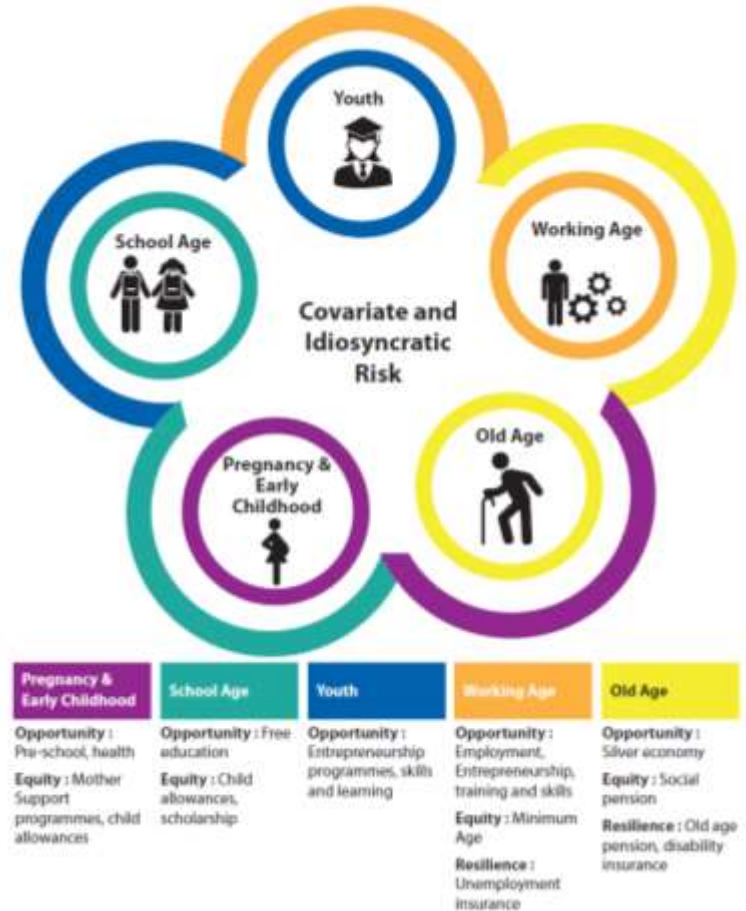
Social Protection Sector in Sri Lanka

- Social Protection becomes a significant sector in the economy



Life cycle approach - Social protection in Sri Lanka

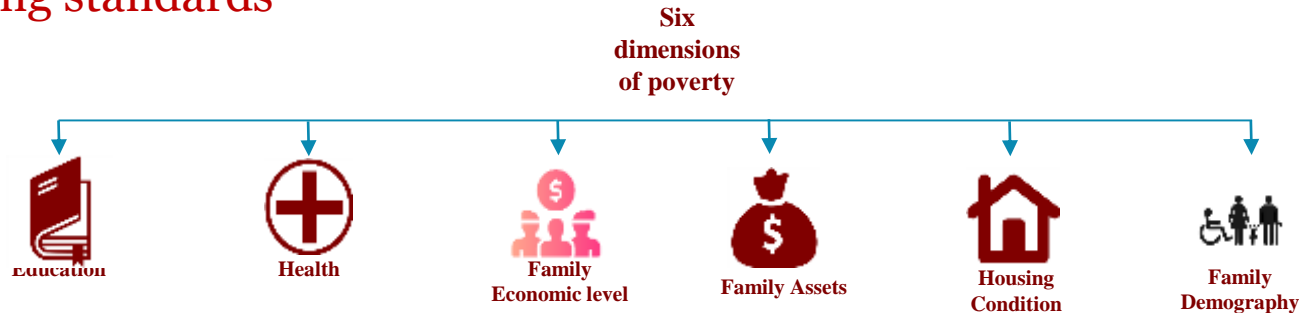
- Sri Lanka implements all social protection programmes to reduce poverty in life cycle approach.
- The beneficiaries were selected for these programmes based on the monetary aspect of the poverty.
- Government has introduced new reform initiatives based on the dimensions of MPI.



1. Criteria for identifying poor families

➤ New Criteria has been developed to identify most needy families for Government welfare benefit programmes *appropriate to Sri Lankan context.*

- Government introduced a new scientific measurement; **Multidimensional Deprivation Scoring (MDS)** method was applied and information relevant to 06 areas covering 22 criteria developed based on MPI aspect spanning from health, education and living standards



MDS - Dimension and indicators

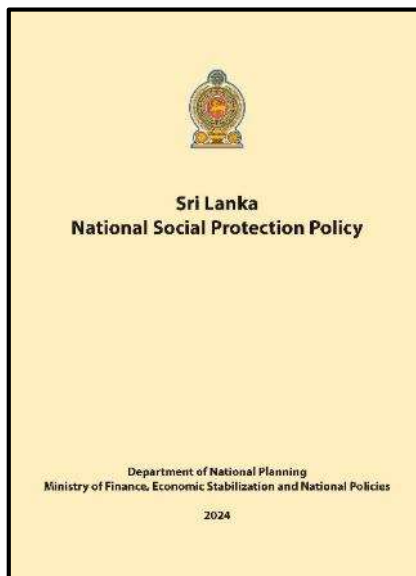
| | Dimension | Indicators |
|---|----------------|--|
| 1 | Education | i. Education level of family members |
| | | ii. Number of non-school going children between the age of 5 - 16 years |
| 2 | Health | i. Family members suffering from long - term chronic diseases. |
| | | ii. Family members with disabilities. |
| 3 | Economic level | i. Monthly per capital expenditure. |
| | | ii. Monthly per capital income. |
| | | iii. Electricity consumption less than 60 units per month. |
| 4 | Assets | i. Not having ownership of the occupied house and land to a family member. |
| | | ii. Not having ownership of other house or a building to a family member |
| | | iii. Not having at least 0.5 acre of cultivable highland to a family. |
| | | iv. Not having at least one acre of cultivable paddy land to a family |
| | | v. Not having at least one asset related to mobility (Motor bike CC 125>, Three-wheeler, Car, Van, Jeep, Bus, Lorry, Tipper, Hand tractor (2 wheels), Tractor (4 wheels) |
| | | vi. Not having at least one assets related to economic activity (Fishing boat, Combined harvest machines, Threshers) |
| | | vii. Not having at least one assets related to livelihood (5 cattle for milk, 20 goats, 50 chickens, 50 ducks, 10 swine) |

MDS - Dimension and indicators cont.....

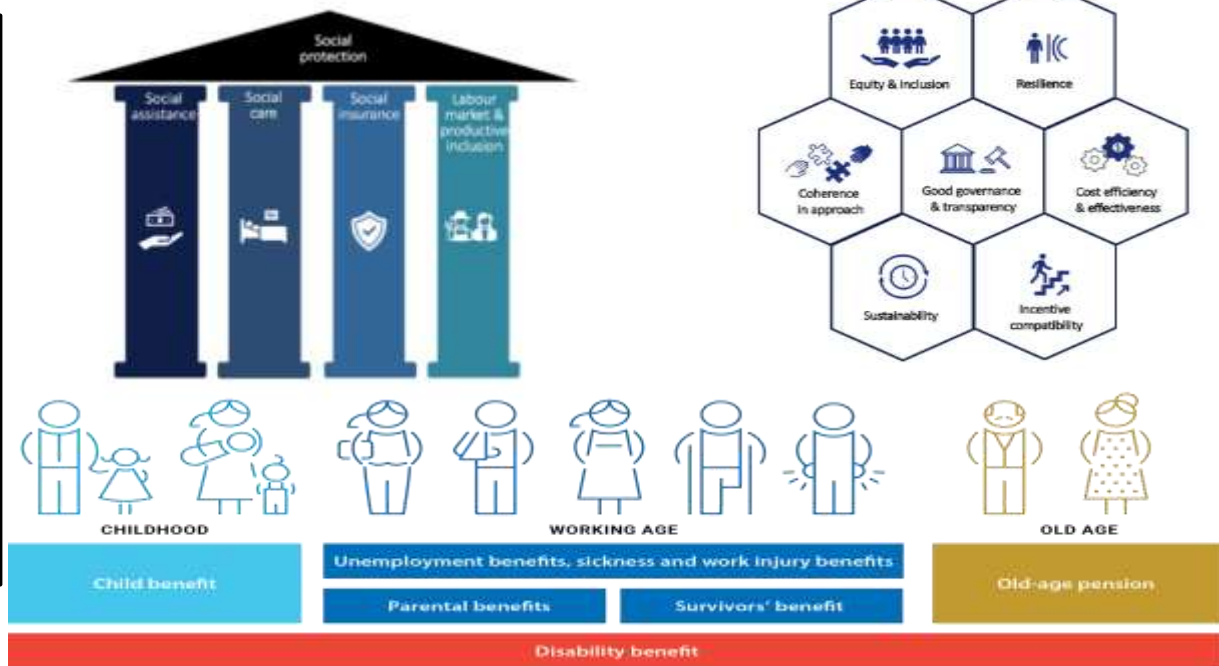
| | Dimension | Indicators |
|---|-------------------|---|
| 5 | Housing Condition | i. Living in line room/row house/slum/shanty or other. |
| | | ii. Not having a living home with a permanent wall and permanent floor and permanent roof. |
| | | iii. Total floor area is less than 500 square feet. |
| | | iv. No access to clean drinking water. |
| | | v. No access to adequate sanitation. |
| | | vi. Not having access to electricity. |
| 6 | Family Demography | i. Dependency ratio (Number of people ages 0 - 14 and those aged 65 and over/number of people aged 15 – 64) greater than 0.64 |
| | | ii. Single parent family |

2. National Social Protection Policy (NSPP)

➤ NSPP - Increase equity and enhance the resilience of all citizens by improving their capacity to manage risks and contributing meaningfully to sustainable national development - *addressing the multidimensional aspect of poverty*

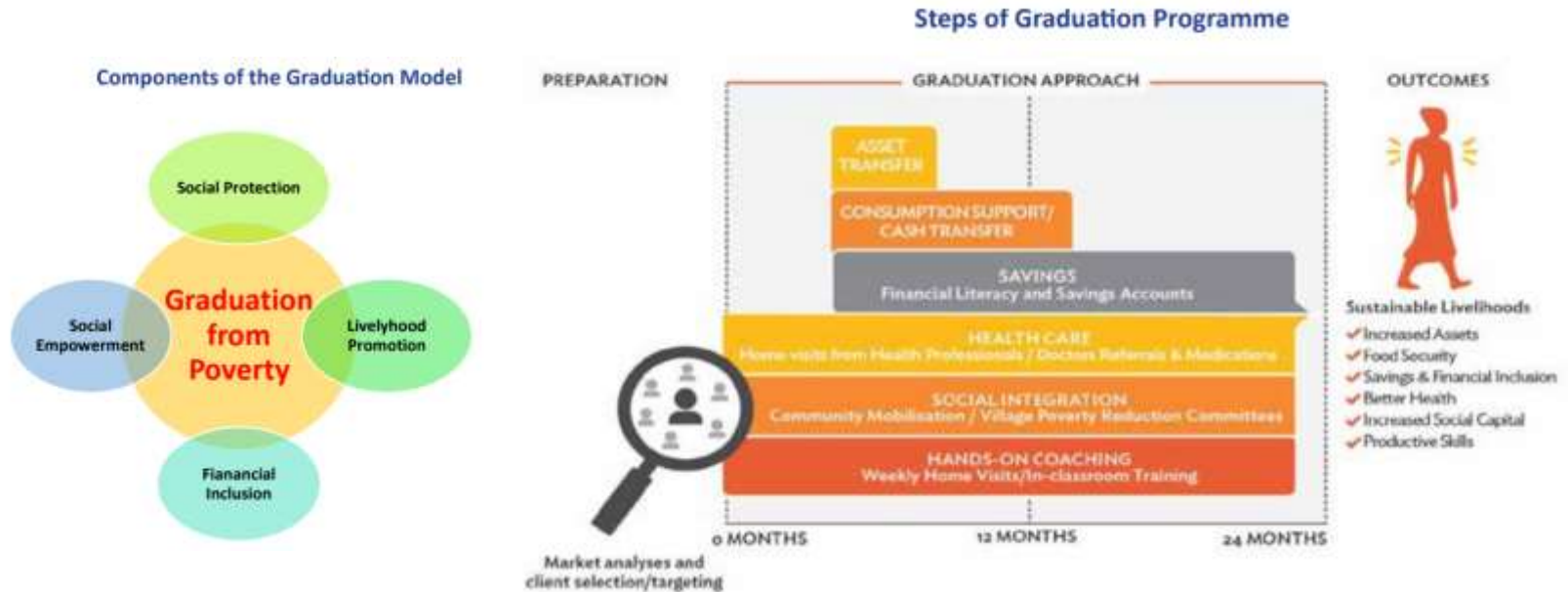


Key pillars of social protection



3. Development of Graduation Strategy

➤ A Graduation Strategy has been developed to raising living standard and moving out of poverty.



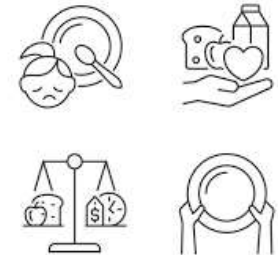
4. Economic Transformation Act No 45 of 2024

➤ The Economic Transformation Act economic for fostering sustainable development, enhancing prosperity, boosting productivity, promoting social progress and ensuring equitable opportunities for all citizens:



➤ ETA outlines several goals such as,

- ✓ By 2027, the country's Gross Domestic Product (GDP) should grow at a rate of 5% and after 2027, to achieve an economic growth rate of 8%.
- ✓ *Multi-dimensional poverty headcount ratio to be less than 15% by 2027 and 10% by 2035.*
- ✓ *Reduction of Multi-dimensional poverty (including Education, Health, Housing and Access to basic services) to promote inclusive growth through economic transformation.*

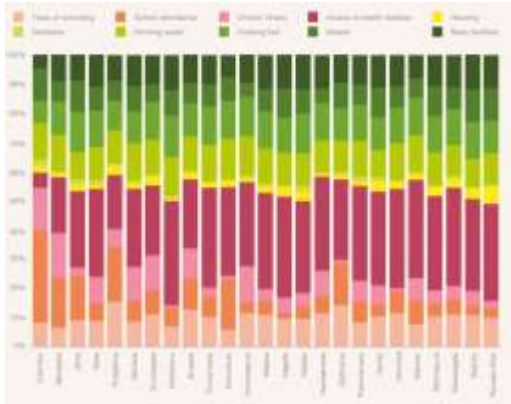




MPI **Evidences for** **Reducing** **Poverty and** **Regional** **Disparities**

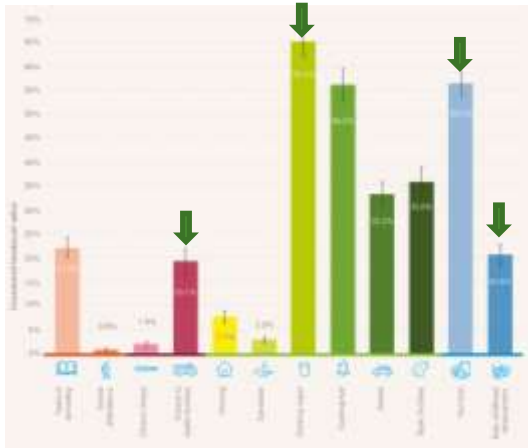
MPI Evidences for Development

MPI – Indicator contribution by District



- Regional Development programmes have been aligned with the MPI scoring and respective Central Government Ministries, Provincial Councils and Local Government Authorities have been instructed to priority most deprived sectors while allocation funds.
- Area specific Regional Development programmes to address deprived sectors of MPI has been initiated – “Kadurata Dhashakaya 2024-2033”
- Government is implementing major development programmes to address sectors identified by MPI; **Health, Education, Access to Drinking water.**

Child MPI – Uncensored Headcount ratios



- Special programmes are being implemented focusing areas deprived
 - **Nutrition, Access to Health.**
- Special National and sub-national programmes have been implemented focusing **Early Childhood Development – Pre-School.**
- Government has initiated **Pre-schools Meal Programme** in the identified geographical areas

Thank You