

From Poverty Measurement To Poverty Reduction in the Arab Region



Shared Prosperity **Dignified Life**

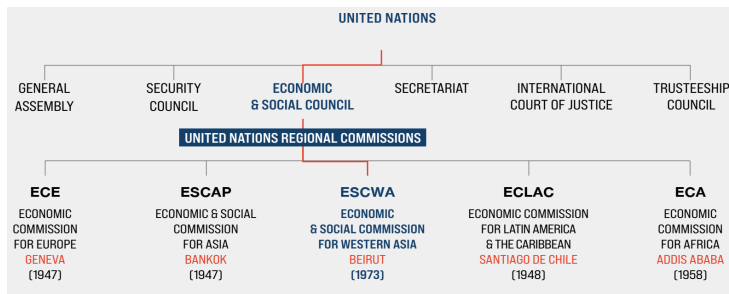


Christian Oldiges

United Nations Economic and Social Commission for Western Asia
(UN ESCWA)

Tashkent, August 27, 2024

The United Nations Economic and Social Commission for Western Asia (UN ESCWA)



- Regional presence for the United Nations Economic and Social Council
- 22 member States, from Mauritania to Somalia
- ESCWA is one of 5 UN regional commissions
 - 1 unique intergovernmental platforms
 - 2 for the advancement of regional integration
 - 3 the development of regional norms and standards,
 - 4 the exchange of experiences and fostering cooperation.
 - 5 promoting inclusive and sustainable development in the Arab region

Member States



UN ESCWA: A voice and think tank, supporting SDG implementation

How We Work

ESCWA links development knowledge to policy through research and analysis. Bringing together policymakers, researchers, experts and relevant stakeholders through its convening power, transforming this knowledge into constructive dialogue and concerted action. ESCWA plays four essential roles:



01. VOICE OF THE REGION

A regional platform for deliberation, coordination, consensus building and advocacy.



02. THINK TANK OF THE REGION

A source of innovative research, supporting quality data collection and analysis for forward-looking, evidence-based policymaking.



03. ADVISER TO THE REGION

A provider of capacity-building and technical advisory services, strengthening national efforts to adopt norms and policies.



04. PROVIDER OF SUPPORT IN ACHIEVING THE 2030 AGENDA AND IMPLEMENTING ITS GOALS IN THE REGION

A partner to member States in the Arab region in their efforts to implement the SDGs.

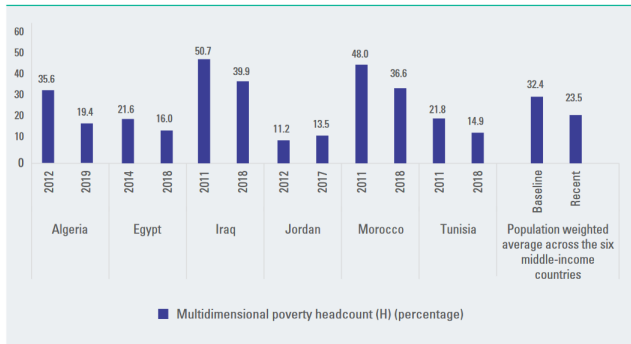
Linking Research and Action ...



The Arab MPI and Trend in Middle Income Countries



Figure 1. Multidimensional poverty headcount ratio in Arab middle-income countries over time



Source: Authors' calculations. Population data are retrieved from the United Nations Department of Economic and Social Affairs (DESA) database (accessed on June 2021).

Source: Second Arab Multidimensional Poverty Report (2023)
<https://www.unescwa.org/publications/second-arab-multidimensional-poverty-report>

High-level Interchange at UN ESCWA



Source: CO

ESCWA tools: Design an MPI (1)

1 Select Survey 2 Define Dimensions 3 Deprivation Cut-offs 4 Set Weights 5 Compute Deprivation Scores 6 Poverty Cut-offs 7 Results

Cambodia 2021-DHS

Group indicators of interest by dimension

+ New Dimension

Living Standards

Assets ⊖

Drinking water ⊖

Housing ⊖

Nutrition

Nutrition ⊖

drag indicators into dimensions

search indicators

Child mortality ⊖

Electricity ⊖

Sanitation ⊖

School attendance ⊖

Years of schooling ⊖

Cooking fuel ⊖

ESCWA tools: Design an MPI (2)

ESCWA English | العربية

MAT Multidimensional Poverty Index Assist Tool v3.1 Surveys Indicators MPI Central Shock Simulation Optimization ?

1 Select Survey 2 Define Dimensions 3 Deprivation Cut-offs 4 Set Weights 5 Compute Deprivation Scores 6 Poverty Cut-offs 7 Results

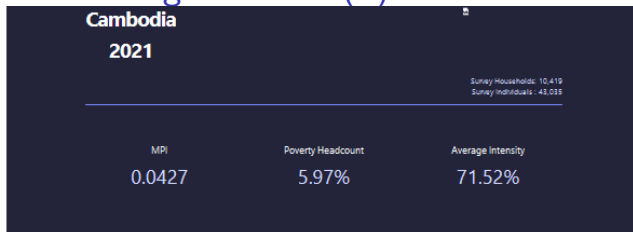
Cambodia 2021-DHS
Set the weights for the indicators within dimensions

Dimension	Indicator	Count	Weight (%)	Indicator Weights
Living Standards	Assets	1,150 / 9,269	20%	100%
	Drinking water	1,795 / 8,624	40%	100%
	Housing	1,428 / 8,991	40%	100%
Nutrition	Nutrition	8,618 / 33,880	100%	100%

Dimensions Weights 100% Indicators Weights 100%

[Reset to equal weights](#)

ESCWA tools: Design an MPI (3)



Framework Dimensions and Indicators

Missing Households

Dimension (weight)	Indicator (weight)	Indicator Weight	Uncensored Headcount Ratio	Deprived Among the Poor	Deprived if
Living Standards (weight=50%)	Assets (weight=20%)	10%	6.82%	29.68%	The household does not own more than one of these assets: radio, TV, telephone, computer, animal cart, bicycle, motorbike, or refrigerator, and does not own a car or truck.
	Drinking water (weight=10%)	20%	12.47%	49.52%	The household's source of drinking water is not safe or safe drinking water is a 30-minute or longer walk from home, roundtrip.
	Housing (weight=10%)	20%	12.28%	43.64%	The household has inadequate housing materials in any of the three components: floor, roof, or walls.
Nutrition (weight=50%)	Nutrition (weight=100%)	50%	18.3%	100%	Any person under 70 years of age for whom there is nutritional information is undernourished.

Contribution of Dimensions and Indicators

Contribution of Dimensions to the MPI



ESCWA tools: Optimize MPI Reductions and Support Planning (1)

MAT Multidimensional Poverty Index Assist Tool

Survey

Gambodia 2021-DHS

Global MPI

Optimization Name

MPI	0.07037
Poverty Headcount	16.645%
Average Intensity	42.276%
Run Date	August 28, 2023
Added by	Rima Abdul Khalek

Optimization Model

No Costing

Deterministic Probabilistic

MPI Reduction

0% 25% 50% 75% 100%

MPI Target: 0.05278

Start New Optimizer

ESCWA tools: Optimize MPI Reductions and Support Planning (2)

ESCWA English | العربية

MAT Multidimensional Poverty Index Assist Tool v3.1

Surveys Indicators MPI Central Shock Simulation Optimization

1 Select Framework 2 Select Indicators 3 Results

Dimension (weight)	Indicator (weight)	Headcount Ratio		Optimizer Selection
		Deprived Individuals(%)	Deprived Households(%)	
Health (1/3) (33.33%)	Child mortality (50%)	1.02%	0.9%	Active
	Nutrition (50%)	20.03%	16.7%	Active
Education (1/3) (33.33%)	School attendance (50%)	22.47%	18.6%	Active
	Years of schooling (50%)	20.99%	26.3%	Active
Living Standards (1/3) (33.33%)	Assets (16.67%)	8.7%	11%	Inactive
	Cooking fuel (16.67%)	55.6%	54.4%	Inactive
	Drinking water (16.67%)	17.52%	17.2%	Inactive
	Electricity (16.67%)	14.72%	14.6%	Inactive
	Housing (16.67%)	13.12%	13.7%	Inactive
	Sanitation (16.67%)	26.13%	27.6%	Inactive

Previous Next Step

ESCWA MPI-Optimization Tools: Reducing the MPI efficiently

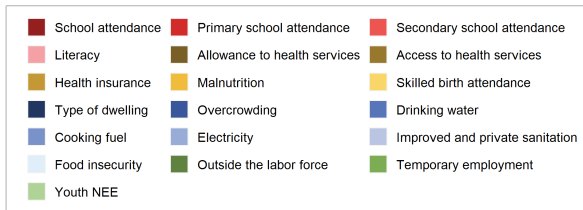
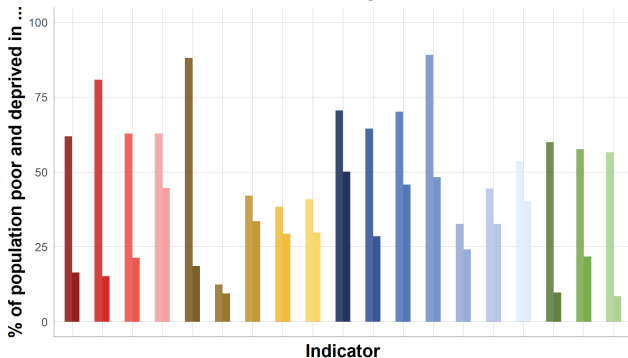
- A Set target for MPI reduction (e.g., 50% reduction)
- B Focus on the poorest of the poor (highest number of deprivations) - not those close to the poverty line / cut-off
- C Focus on highest contributing indicators
- D Activate indicators that can be changed over time

Key question: which indicators need to change by how much to reduce the MPI by 50%?

Technique: simulate until goal is reached under above constraints

Indicator headcount ratio in 2019 & optimized (Guid.)

Guidimagma



Highlights of Mauritania's Ambitions in Utilising the National MPI and Inform Policies

- 1 National MPI trend analysis for 15 years
 - 2 National MPI optimization framework that includes past trends and indicator-expenditure elasticities as parameters
 - 3 A new poverty reduction plan that relies on the national MPI
 - 4 Near real-time data via a new MPI-module in annual Labor Force Survey
 - 5 Social Protection Agency: To link Social Registry data to the national MPI indicators
- Counting simultaneous deprivations to identify beneficiaries for Social Protection Programs

Thank you ...

... let us discuss.

Christian Oldiges
Senior Economic Affairs Officer
UN ESCWA
christian.oldiges@un.org