

Roundtable Discussion on Multidimensional Poverty

17-18 October 2024
Cape Town, South Africa

Co-organised by the Parliamentary Budget Office of the Republic
of South Africa and the Multidimensional Poverty Peer Network
(MPPN)

Summary Report



1. Background and Context

South Africa, while classified as an upper-middle-income country, has one of the highest inequality rates globally, with poverty deeply entrenched along racial, geographic, and gender lines. This context makes the adoption and implementation of tools such as the Multidimensional Poverty Index (MPI) not just timely but necessary to address the structural challenges that monetary poverty measures alone fail to capture.

The MPPN Roundtable Discussion on Multidimensional Poverty (MPPN) was held at a pivotal moment when South Africa faces heightened demands for government accountability, particularly regarding the use of public resources for poverty alleviation. Economic challenges, including slow Gross domestic product (GDP) growth, high unemployment (particularly youth unemployment), and fiscal constraints, have placed immense pressure on Parliament to exercise robust oversight over how government budgets are allocated and executed. The MPI offers a framework to evaluate whether public spending effectively addresses the multi-faceted nature of poverty, such as education, health, housing, and employment opportunities.

In this regard, the MPPN Roundtable Discussion on Multidimensional Poverty fostered a space for national dialogue between stakeholders in South Africa to address poverty and learn from the experiences of other countries and international experts. This space also contributes toward Members of Parliament (MPs) capacity building for oversight on how to best utilise effective, accountable, and inclusive tools, such as the Multidimensional Poverty Index (MPI), to prioritise poverty reduction.

While historically, countries have relied on monetary poverty measures, there is an increasing global recognition that poverty encompasses other forms and dimensions, including deprivations in education, health, housing, decent work, etc. This multidimensional approach to poverty is enshrined in the United Nations' 2030 Agenda and reported towards Goal 1 of the Sustainable Development Goals: end poverty in all its forms everywhere. Multidimensional Poverty Indices measure the breadth and depth of multidimensional poverty and provide a platform of policy-relevant information to support poverty reduction.

The MPPN is a network of policymakers from 64 countries and 20 international agencies with an interest in the measurement and alleviation of multidimensional poverty. It facilitates peer learning and knowledge exchange on best practices and lessons learned related to the design and implementation of MPIs as a complement to money-metric poverty measures.

The Parliamentary Budget Office of the Republic of South Africa (PBO) has recently revised and developed its capacity and capability to analyse budget allocations in the context of multidimensional poverty, offering Members of Parliament valuable insights into the challenges facing the country

2. Objectives Accomplished

The MPPN Roundtable Discussion on Multidimensional Poverty successfully achieved the following key objectives through a series of focused discussions, capacity building activities and knowledge sharing exchanges:

1. Facilitated a national dialogue:

- 1.1. The roundtable served as a platform for in-depth discussions on the specific challenges South Africa faces in addressing multidimensional poverty.
- 1.2. It brought together key stakeholders from various sectors to explore innovative approaches and share best practices for poverty reduction.

2. Contributed towards MPs' capacity building for effective oversight:

- 2.1. Delivered comprehensive training session for MPs on multidimensional poverty analysis, monitoring, and evaluation.
- 2.2. Participants, including MPs, were empowered to effectively scrutinise budget allocations and advocate for policies that prioritise poverty reduction.

3. Shared best practices and insights:

- 3.1. The roundtable facilitated a global exchange of knowledge and experiences by inviting international experts and policymakers from other countries, enabling South African MPs to learn from successful poverty reduction strategies implemented elsewhere and adapt these lessons to South Africa's unique context.

4. Strengthened South Africa's leadership on poverty reduction:

- 4.1. Hosting the roundtable demonstrated South Africa's leadership on the global stage in advancing innovative approaches to poverty measurement and intervention.

5. Fostered collaboration and partnerships:

- 5.1. The roundtable strengthened partnerships among domestic and international stakeholders, creating a network of collaborators committed to multidimensional poverty reduction.

The achievement of these objectives marks a milestone in South Africa's efforts to address multidimensional poverty and advance effective parliamentary oversight.

3. Highlights from Discussion

The discussion highlighted six overarching themes across the two days of the roundtable:

1. South Africa has made national and international commitments to reducing poverty in all its forms and dimensions. There is a clear understanding that poverty is multidimensional and that an MPI is an efficient, inclusive, and accountable tool to complement monetary poverty and other existing measures.
2. The South Africa Multidimensional Poverty Index (SAMPI) provides useful information on the multifaceted nature of poverty in the country since 2001 but may need to be revised to align with the current context and priorities for the country (for example, more frequent updates, the relevance of nutrition and food security, disaggregation by disability status, etc.).
3. To make a difference in combating poverty, it is necessary to make a clear link between statistics and how they are translated into policy.
4. For effective poverty reduction, it is crucial to think creatively about how to engage different stakeholders (e.g. CSOs, private sector, academia, international agencies, etc.) towards a common goal.
5. Funding is a constraint for all dimensions of poverty reduction (statistics, nutrition, education, basic services, etc.).
6. Parliament should consider if the MPI can be part of its oversight model and, if so, what that could look like.

Further information, including presentations and recordings, can be found [here](#).

4. Summary of Interventions:

The first day began with opening remarks from Dr Joe Maswanganyi, Chairperson of the Standing Committee on Finance. He stated that this event aimed to reaffirm Parliament's commitment to the eradication of poverty in all its forms, exploring comprehensive strategies for combating the various dimensions and interconnections of poverty, sharing the latest research and innovative partnerships, and sparking a national dialogue on the unique challenges and opportunities for tackling multidimensional poverty in South Africa. He also suggested that the roundtable could lay the foundation for a future successful and impactful high-level meeting in 2025.

Ms Corinne Mitchell, Executive Director of the Oxford Poverty & Human Development Initiative (OPHI) at the University of Oxford (the Secretariat of the MPPN) and Dr Dumisani Jantjies, Director of the Parliamentary Budget Office, then shared welcome remarks to the participants in person and online. Ms Mitchell shared some of the historical context for the measurement of multidimensional poverty and its place in international commitments. Dr Jantjies framed the roundtable within current government priorities to support efforts to eradicate poverty through evidence-based, targeted, and impactful interventions and position South Africa as a global leader in poverty reduction. He also highlighted that the roundtable coincided with the UN's International Day for the Eradication of Poverty, giving further prominence to the topic.

These remarks were followed by Ms Sylvia Nxumalo, Member of the National Council of Provinces, who introduced Prof Sabina Alkire, Director of OPHI. Prof Alkire gave a detailed description of the Multidimensional Poverty Index (MPI) and its evolution into a global standard. She shared some of the latest results from the 2024 OPHI-UNDP Global MPI Report, released earlier that morning and closed by echoing Former President of Colombia and Nobel Peace Laureate Juan Manuel Santos's words that "the figure against poverty is not just a technical issue, but one of leadership."

Mr Cedric Thomas Frolick, Chairperson of the National Assembly, then delivered the keynote address for the event, highlighting that reducing poverty is one of the key challenges facing the 7th Parliamentary Administration at this critical time in South Africa's history. Mr Frolick stated that the MPI is a robust, comprehensive, and impartial tool to address this challenge and to help track progress across all sectors of government. New governance tools such as the MPI can reflect and inform decisions on the policies and trajectories that must be changed to identify and support the poorest of the poor in an effective, accountable, and inclusive manner.

Ms Corinne Mitchell of OPHI then presented examples from other countries that have developed context-specific National MPIs and used them for different policy purposes, including coordination, targeting, and budget allocation. This was followed by an intervention from H.E. Ana Helena Chacon, former Vice President of Costa Rica and current Senior Policy Advisor to OPHI. She presented on the experience of Costa Rica in institutionalising and using the MPI, including its innovative partnership with the private sector and its incorporation into the budget allocation process.

Following this, Mr Solly Molayi, Acting Deputy Director for Population and Social Statistics at Statistics South Africa, presented about poverty statistics in South Africa, including the South Africa Multidimensional Poverty Index (SAMPI). The SAMPI comprises of eleven indicators across the four dimensions of health, education, living standards, and economic activity. It is normally computed from the census and has shown decreasing headcounts since 2001, though multidimensional poverty in rural areas of the country remains high. Mr Molayi also suggested some possible improvements to the SAMPI that Statistics South Africa is considering: (1) the use of new methodological and analytical developments; (2) alignment with the current socio-economic issues to be addressed by the government; (3) reconsideration of the data source to switch to the Envisage Continuous Population Survey, which can provide more frequent updates and detailed disaggregation to make it more policy-relevant; (4) the inclusion of additional indicators in the health dimensions, such as food insecurity, general health and functioning, and medical aid coverage. There was also interest in the inclusion of a new dimension on the environment and analysis of people living with disabilities.

This presentation was followed by interventions from industry and practitioners on best practices and challenges in reducing multidimensional poverty in the country. Vanessa Naicker, from Anglo American, highlighted that mining tends to operate in rural areas that have higher levels of poverty. Mervyn Abrahams, from the Pietermaritzburg Economic Justice and Dignity group, emphasised the importance of the intersectionality of poverty and welcomed more data on the issue. Dave Perkins, from Mining Dialogue 360, shared that they are exploring ways in which companies can use the MPI to optimise the impact of their work. Tracy Ledger, of the Public Affairs Research Institute, highlighted the high cost of basic services.

An open Q&A session with the other roundtable participants discussed the role of civil society in poverty measurement and alleviation, the importance of nutrition and food security for the country, the challenges of collecting high-quality and frequent data in a time of budget cuts for Statistics South Africa, the issue of translating statistics into concrete policy recommendations, and the responsibility of the mining industry in poverty reduction efforts.

The day closed with a hands-on workshop led by Ms Mitchell of OPHI to build capacity on the methodology of the Multidimensional Poverty Index and the interpretation of the results it provides for policy use.

Day 2 began with Mr Mmusi Maimane, Chairperson of the Standing Committee on Appropriations, reviewing the key points from the previous day. The agenda then proceeded with a presentation by Dr Asghar Adelzadeh from Applied Development Research Solutions (ADRS), who shared a forward-looking model that they had developed to try to estimate the impact of different macro- and micro-economic changes on multidimensional poverty in the country. Pali Lehohla, former Statistician-General of South Africa and current Research Associate at OPHI praised this work and highlighted that models such as these enable the MPI to be a 'tool for change' and part of the instruments of power to measure and guide progress in the country.

Dr Shanelle van der Berg, Human Rights Officer at the Regional Office for Southern Africa of the Office of the UN High Commissioner for Human Rights, then presented about the links between multidimensional poverty and international human rights, as well as an analysis of the situation in South Africa and recommendations for ensuring that no one is left behind.

Following this intervention, Sara Hamouda of the African Peer Review Mechanism (APRM) gave a presentation about aligning the MPI with the African Union's Agenda 2063. Her remarks highlighted how reporting on multidimensional poverty measures fits within APRM's reviews. Dr Susan Kamundia, of the UCT South Africa Labour and Development Research Unit, then gave input that emphasised the challenge of reducing MPI at a time of budget austerity. There was a dynamic discussion among the participants about the priorities for poverty reduction in South Africa. The Chair closed with a call for further discussion on the topic when more MPs are able to participate.

The day concluded with Ms Mitchell of OPHI summarising six key themes from the roundtable with an open call for further input via email. Dr Jantjies of PBO then reminded participants of the three objectives of the roundtable and the next steps for drafting a summary report, which will be tabled to the PBO Advisory Board and Parliament.

5. Recommendations and Next Steps:

The organising committee suggests consideration of the following next steps:

1. Provide a forum for further discussion on this topic, including with a larger group of policymakers. This could include a follow-up event in 2025 with more experiences from other countries and stakeholders.
2. Statistics South Africa could consider a process for comprehensive consultation and possible revision of SAMPI to better align with the current context and priorities of the country.
3. Develop platforms to continue to engage with different stakeholders (e.g. CSOs, private sector, academia, international agencies, etc.) on how they can both provide inputs into the understanding of multidimensional poverty and be part of the efforts to reduce it.
4. Work with Statistics South Africa and policymakers to institutionalise the MPI in South Africa so that it can inform more evidence-based policies and identify a mechanism/responsible institution for translating statistics for policy use.
5. The Parliamentary Budget Office, with support from the MPPN as requested, could propose options for Parliament to consider about the use of the MPI for budget allocation and oversight.