MULTIDIMENSIONAL POVERTY INDEX

PANAMA

2017

Process and results of Panama's first MPI
To **identify** and **measure** the incidence and intensity of the main non-monetary deprivations affect living conditions of the panamanians, and use it as a public policy tool to redirect actions in order to effectively reduce poverty in all its dimensions.
Panama’s MPI Development Process

**2016**
- **May**
  - Roadmap
    - Technical Advisory Committee
- **June - October**
  - Data Source
    - Dimensions and indicators
    - Training in AF Methodology
- **November - December**
  - Survey modification
    - CONSULTATION: Communities in every province and indigenous areas

**2017**
- **January - May**
  - Survey application
    - Data base development
    - Experts’ table
- **June**
  - MPI Calculation
    - Forums and workshops
    - Certification of validity
    - Panama’s MPI Launch

**Social Cabinet - Technical Advisory Committee - Experts’ Table**
INSTITUTIONALITY

SOCIAL CABINET
- TECHNICAL SECRETARY
- MULTISECTOR COMMISSION

MPI TECHNICAL ADVISORY COMMITTEE
- MINISTRY OF SOCIAL DEVELOPMENT
- MINISTRY OF ECONOMY & FINANCE
  Social and Economic Analisys Direction
- INSTITUTE OF NATIONAL STATISTICS

EXPERTS TABLE
- OPHI
- UNDP
- WB
Panama’s PMI has **5 dimensions** and **17 indicators**. With the MPI we can determine which deprivations affect people the most.
When a household is deprived in at least 5, 6 or more of the weighted indicators, it is considered **multidimensionally poor**.
HOW MANY PEOPLE ARE POOR?
(INCIDENCE)

19.1% of Panamanians live in multidimensionally poor conditions, which means that 2 out of 10 panamanians are deprived either on their education, health, housing, job, or other dimensions of their well being.

INTENSITY: 43.5%

On average, poor people in Panama are deprived on 8 or more indicators simultaneously, depending on the dimension.
Incidence of Multidimensional Poverty, by province and indigenous territory

Source: Multiple Purposes Survey, March 2017, INEC
Percentage contribution of each indicator, by province and indigenous areas
How can Panama use the MPI to reduce poverty?

**POLICY TOOL**
Quick wins | Goals alignment | Policy Analysis
Platform civil society participation & proposals

**PANAMA FOR ALL-0 POVERTY** | Cabinet Decree
targetting, coordination & integration

**NATIONAL SATISTICS SYSTEM**—Statistical Units
MPI & SDGs

**OFFICIAL POVERTY MEASURE** | Cabinet Decree
periodicity | source | institutionality | dimensions & indicators

“A multidimensional approach to measure poverty reflects in a better way population conditions because it is not only based on family income but also in other dimensions like health, education and living conditions.

The index acts as a high resolution lens that allows you to see the intensity of the poverty of each individual and their specifics deprivations.”

–SABINA ALKIRE
DIRECTOR, PHI
PANAMÁ
PARA TODOS
CERO POBREZA
INTEGRATED PACKAGE OF SOCIAL SERVICES & PROGRAMS

PROMOTOR ÚNICO (FAMILY)

LOCAL SOCIAL CABINET (DISTRICT)

SOCIAL CABINET (NATIONAL)

FAMILY PLAN
Social Protection Survey

TERRITORIAL DEVELOPMENT PLAN

PANAMA FOR ALL - 0 POVERTY
26 POOREST DISTRICTS
236 TOWNS
51,115 EXTREME POVERTY HOUSEHOLDS
262,106 PEOPLE IN EXTREME POVERTY
52% EXTREME POVERTY HOUSEHOLDS
NEXT STEPS

- Control board for MPI's indicators
- Public Policy Agenda
- Partnerships for the fight against poverty
- Children's MPI
- Ethnographic study for indigenous populations