



# Measuring monetary poverty among forcibly displaced populations in camps and their hosts

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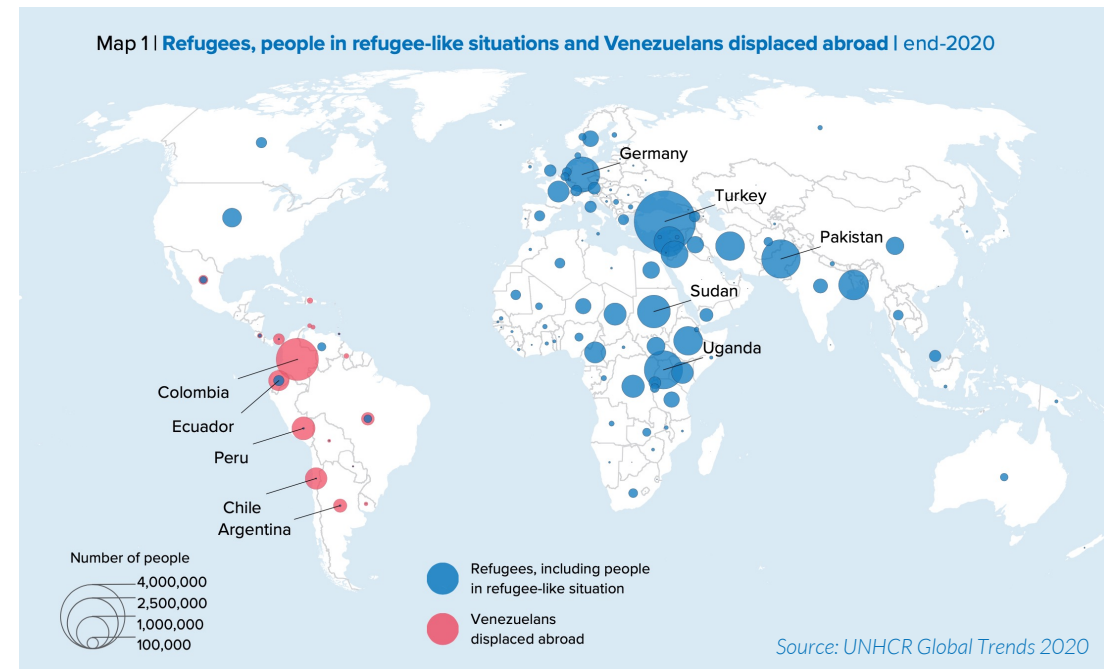


**Joint Data Center  
on Forced Displacement**



# Motivation and context

- Drastic increase in the number of forcibly displaced persons. 82.4 million, almost double the number ten years ago. Many of these living in UNECE countries.
- Understanding poverty levels of these vulnerable groups of great interest, yet often excluded or insufficiently represented in wider poverty surveys and analysis.
- Some recent expansion of national poverty surveys to refugees and IDPs: Uganda 2018, Chad 2018, Niger 2018, CAR 2021, Ethiopia 2022. A very recent but hugely important development.
- In **refugee and IDP camps** where people may survive primarily on the basis of humanitarian assistance, poverty measurement by income may be futile. But poverty measurement by consumption expenditure might also be challenging.
- Camps can be characterized by imperfect or missing markets, highly distorted price patterns, and large-scale provision of food and non-food items.
- Considering the increasing amount of national poverty surveys that include displaced populations in camps, important to take stock of particular challenges and avoid incomparability of estimates between forcibly displaced persons and their hosts.



# Consumption expenditures for monetary poverty

- Consumption expenditure aggregates for monetary poverty can include; use value of durable goods and housing, private expenditures on health and education, and usually exclude public goods and leisure time.
  - The exclusion of public goods is standard and a general problem but might be especially problematic around refugee camps as service provision can have stark variations for populations living in close proximity.
- Focus on food and non-food consumption, the biggest chunk of expenditures in many settings.
- The consumption expenditure aggregate is often defined as  $\sum_{i=0}^n q_i * p_i / P$ , where  $q$  is quantity,  $p$  is price and  $P$  is a temporal and spatial price index.
- Evaluation of consumption in camps can be problematic as:
  - $p$  can be missing for a large share of food and non-food items and finding matching prices from other places could be difficult.
    - The type of goods consumed in camps might be very different and of different quality to those consumed in the host population.
  - Price data options:
    - Price data from within camps
    - Price data from host population
    - Price data from local markets, need of special price survey?
    - Price data from CPI
  - Some products in  $P$  might not be available in camps.



# How large is the price (p) challenge for food items?

- The size of the challenge depends on how camps are set up.
- Is there market access and is there equal market access for both populations?
- Are expenditures provided for free or are they given as cash?
- Are refugees and IDPs allowed to work?
- etc.

Share of food items received as aid/for free from public or private organizations

	Mostly organized camps				Mostly informal settlements	
	Ethiopia <sup>1*</sup>	Bangladesh <sup>2</sup>	Kenya Kakuma <sup>5</sup>	Kenya Kalobeyei <sup>6*</sup>	Somalia <sup>3*</sup>	Uganda <sup>4</sup>
Refugees/IDPs	43.5%	33.9%	74.4%	84.2%	2.0%	3.3%
Host population	1.0%	0.5%			0.5%	2.9%

Notes: \* Surveys are using imputed data. 1) Ethiopia mostly covers refugees living in organized camps. Source “Skills Profile Survey 2017, A Refugee and Host Community Survey (2018)”. 2) Bangladesh mostly cover refugees living in organized camps. Source “XXXXX”. 3) Somalia mostly covers IDPs that live in informal settlements, not organized camps. Source “High Frequency Survey (2017)”. 4) Uganda mostly covers refugees that do not live in organized camps. Source “Refugee and Host Communities Household Survey (2018)”. This data is everything received for free irrespective of source. 5) Kenya Kakuma are mostly refugees living in organized camps. Source “Kakuma surveys (2016)”. 6) Kenya Kalobeyei are mostly refugees living in organized camps. Source “Kalobeyei Socioeconomic Profiling Survey (2019)”. The free received food was not valued using any price data.



# Poverty and utility consistency for a subgroup

- A camp can be seen as a special case of a subgroup or small area. Estimating poverty for small groups comes with additional challenges as inaccuracies receive additional scrutiny and are not averaged out as in larger estimates.
- Compared across households or subgroups its often also assumed that poverty measurement is utility consistent (same “value”/utility of same price corrected expenditures)
- In this case, where households access different markets, are provided many goods for free or at discounted prices, and camp populations can have limited choice of goods, utility consistency might not hold.
- Hence, even when consumption expenditures are priced the same way in camps and for host populations, the perceived poverty level might not resonate fully with households as they did not have a free or same choice in selecting their bundle of goods.



# Case example Ethiopia: Spatial price index and impact on poverty

- The camps are generally separated from the social and economic life of host communities and are mostly dependent on aid.
- Correcting for spatial price differences shows very mixed results, likely driven by insufficient unit price data. **Effect for camps is substantially larger** than for hosts.

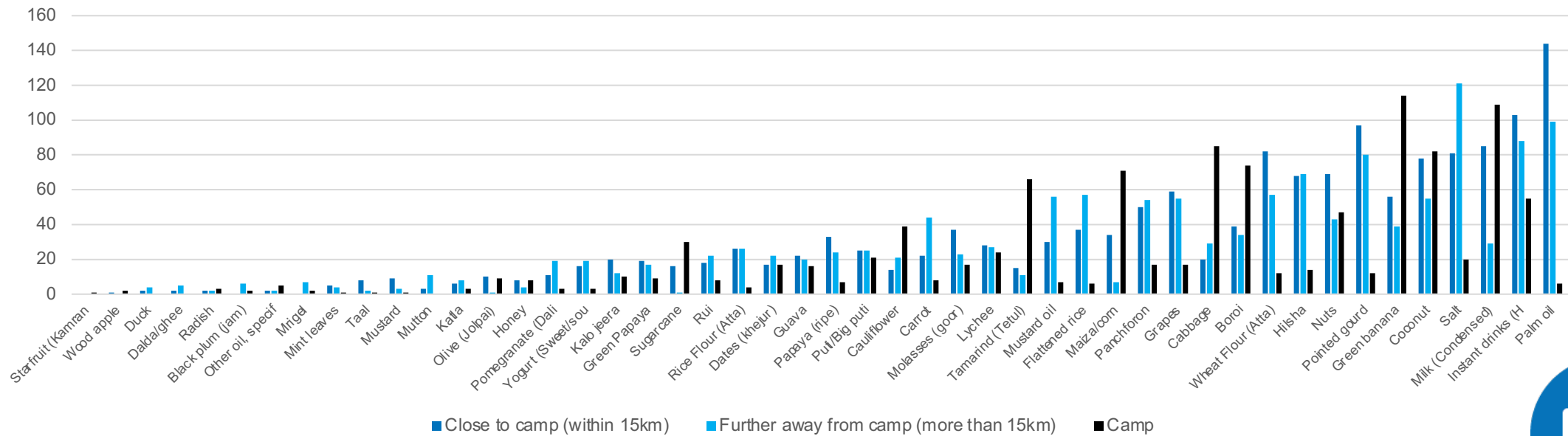
	Eritrean		Sudanese		All	
	Host	Camp	Host	Camp	Host	Camp
No spatial correction	3%	20%	12%	50%	6%	36%
3 items price index	2%	12%	9%	39%	5%	26%
18 items price index	4%	16%	13%	53%	7%	35%
47 items price index	2%	44%	8%	38%	4%	41%



# Case example Bangladesh: Availability of unit prices

- Price differences between refugee camps and neighbouring hosts:
  - Price significantly higher in camps: 16 consumption items
  - Price significantly higher outside camps: 18 consumption items
  - No significant difference: 62 consumption items

Number of unit prices by location



# Recap and next steps

- There are without doubt many challenges in assessing monetary poverty for host and camp populations, and in a fully comparable way.
- The analyst likely plays a larger role than usual as there are more decisions around price imputations etc.
- We are in the process of developing a methodological paper that takes stock of the particular challenges and lessons learnt from recent application, for researchers and statistical institutions looking to measure poverty in refugee/IDP camps. Some guiding questions for this:
  - Can we assess if poverty measurement for a given camp is feasible **before** doing field work?
  - Can we assess if poverty measurement for a given camp is robust enough **after** doing field work?





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