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United Nations Economic Commission for Europe

Conference of European Statisticians **Workshop on harmonization of poverty statistics to measure SDG 1 and 10** Geneva (Switzerland), 7 December 2022

Report of the Workshop on Harmonization of Poverty Statistics to Measure SDG 1 and 10

Note by the Secretariat

I. Attendance

- 1. The UNECE workshop on harmonisation of poverty statistics was held on 7 December 2012 in Geneva, Switzerland. It was attended by participants from Armenia, Belarus, Bosnia and Herzegovina, Canada, Czechia, Denmark, France, Greece, Hungary, Ireland, Israel, Kazakhstan, Liechtenstein, Republic of Moldova, Tajikistan, Türkiye, Ukraine, United States of America and Uzbekistan. Representatives of the following organisations participated in the meeting: Interstate Statistical Committee of the Commonwealth of Independent States (CIS-Stat), United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF) and the United Nations Resident Coordinator Office (UNRCO) Türkiye. Experts from University of Sienna and Oxford Poverty and Human Development Initiative (OPHI), and an independent expert also participated.
- 2. The workshop was conducted with support from the United Nations Development Account (14th tranche) project "Resilient and agile national statistical systems".

II. Organization

- 3. The following topics were discussed at the workshop:
 - a) 2030 Agenda for Sustainable Development: data availability on poverty;

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- b) Poverty as a multidimensional, multi-layered concept;
- c) Assessing and improving survey methods.
- 4. The discussion at the workshop was based on contributions available at the workshop's web page.
- 5. The workshop was held back-to-back with the meeting of the <u>UNECE</u> Group of Experts on Measuring Poverty and Inequality (8-9 December 2022).

III. Summary of proceedings

A. 2030 Agenda for Sustainable Development: Data availability on poverty

- 6. The session comprised presentations from UNECE and CIS-Stat and focused on data availability on SDG poverty indicators in Eastern Europe, Caucasus and Central Asia.
- 7. High-quality, accessible and disaggregated data is of great importance for full implementation of the 2030 Agenda for Sustainable Development. The review of the Global Database for the 12 countries of Eastern Europe, Caucasus and Central Asia showed a good coverage on the indicator 1.1.1 International poverty line with more recent data from 2020 and more data disaggregation. Currently one country has data for indicator 1.2.2 Multidimensional poverty. Improved data availability was noted for indicators 1.3.1 Population covered by social protection floors/systems and 10.1.1 Growth rates of household expenditure or income per capita and countries with more recent data (2020) for indicator 10.2.1 Proportion of people living below 50 per cent of median income. Major update to the Global SDG Database is expected towards end of December 2022.
- 8. National statistical offices are working to strengthen their capacity to produce data for the development of SDG priority indicators on poverty. In all countries, national SDG indicators lists were compiled, and national platforms and data portals were created to monitor SDGs at the national level. In most countries, road maps on statistics for SDGs were developed and adopted. Voluntary national reviews of progress towards SDGs were submitted to the UN with latest additions from Azerbaijan (2021) and Belarus and Kazakhstan (2022). In 2023, three Central Asian countries Turkmenistan, Tajikistan and Uzbekistan are scheduled to present their volunteer national reviews.
- 9. It was noted that some indicators differ at global and national levels. Methodologies used to calculate the indicators also differ between countries. The analysis on the difference in methodology used by various countries in producing the same indicators was considered an important next step towards harmonisation of the published results.
- 10. In some cases, the users can find more information in the national reporting of results from household budget surveys and in the national reporting platforms compared to what is available in the global database. The challenge with

comparable series to track developments over time was also raised in the context of UNECE work on compiling data for the regional SDG report.

A. Poverty as a multidimensional, multi-layered concept

- 11. The session included presentations by OPHI and UNICEF. Republic of Moldova and Kazakhstan shared their experiences. It concluded with presentations from two UNECE consultants who worked with Kazakhstan to calculate a pilot national multidimensional poverty index.
- 12. The experts discussed the challenge to have a harmonized index for different countries because of the diversity of the data needed for this index. There is an obvious need for methodology for matching emerging data sources. OPHI is currently undertaking an analysis of household budget surveys to assess whether the specific questions or modules of interest are available. Ensuring access to microdata for this purpose is essential and requires strong cooperation between countries, academia and international organizations. As a good example was mentioned the case of Multi-Indicator and Cluster Surveys (MICS) surveys that are publicly available online after registration. OPHI is expecting to release a report in the beginning of next year that will contain the method and the findings from this data review and some initial trial measures based on the questionnaires. In addition, they are working on developing a set of key indicators and some potential measures for a global and also for regional measures.
- 13. Some countries are conducting or building their own surveys for the multidimensional poverty index (MPI), while others are adding to their household budget surveys some modules on employment or living standards, or on health. OPHI is putting together a document that includes an example of set of questions for survey modules that could serve for MPI calculations.
- 14. Countries were encouraged to consider available datasets outside the traditional household surveys that may also contain useful data for constructing MPI. They were also welcomed to examine and consult on possibilities for introduction of new sources or survey modules for developing non-monetary (multidimensional) measures. The experts however warned about managing the size of the surveys and their continuous expansion linked to SDGs indicators or material deprivation. Vigilance should be applied in the trade-off between how many indicators one can measure in one single survey visiting a household, and the quality of the survey results. Linking different surveys together or exploring administrative data could help in that respect.
- 15. The countries expressed their gratitude for the online courses organized by OPHI and UNDP. The courses allowed to expand their knowledge as to internationally accepted approaches. OPHI invited all the participants to take advantage of the summer schools that since this year are available also in Russian language.
- 16. Employment and social protection dimensions for the MPI were noted as critical. Social protection is included in some national MPI's. The health dimension has also been considered of growing importance and specifically the

- question on health insurance has been added to MICS and Demographic and Health Surveys (DHS). That would allow to produce another health indicator in addition to nutrition and child mortality that is already included in the global MPI.
- 17. More and more the energy poverty for some countries of the region becomes pronounced, both in terms of accessibility and affordability of energy for the households.
- 18. Several countries have conducted work on multidimensional deprivation of children. Children suffer specific deprivations in their life cycle so using the structure of the national MPI (child MPI linked to the national MPI) that has a dimension on child development was encouraged, e.g. by asking people whether their children, for instance, received attention from their parents when they were small, if they have access to books, and toys (for children zero to five), etc.
- 19. Estimates by UNICEF showed that children that suffered by dimensions education and health due to the Covid pandemic more than tripled in 2020. So far, there was no attempt to measure the longer-term impacts from the pandemic (e.g. repeating a year at school, increased risk of dropping out of school). Further analysis that could be useful would be on the profile of the families of the newly deprived children, in particular whether they come from deprived households or not.
- 20. This year Kazakhstan has concluded a successful capacity building project with UNECE on building a pilot MPI. The selection of the MPI indicators was the focus of the discussion. The approach of Kazakhstan of connecting their measures to the national priorities by cross checking them with the national strategic planning documents and justifying the choice of all the indicators was highly valued.
- 21. The Republic of Moldova has conducted experimental measurement of multidimensional poverty. They considered additional questions for inclusion in surveys, e.g. on the environment and crime situations. However, in the process of the analysis it was decided that most of these indicators were subjective, and therefore difficult to measure and interpret. They also made a public-wide consultation with focus groups from various vulnerable population groups: families with many children, handicap people, people of the Roma ethnicity as well as a survey asking people what "poverty" means to them. On the basis of the focus groups and the survey some more indicators were included in the final MPI.
- 22. Armenia and Belarus were mentioned as good examples of offices that share their methods used in developing multidimensional measures on their websites. The other countries appreciated and noted the usefulness of sharing experiences across countries.
- 23. There is a big difference between classifying a household as poor or classifying a person as poor. Children can be poor or not independent of the household poverty status, and that is also true between men and women, and between people of different ages. Moreover, the household is a concept, which changes over time. It was suggested that more efforts should be made to move away from households towards individuals that experience poverty.

- 24. In terms of policy relevance, the national MPI is used for policy making in countries and have the structure that is adopted specifically for the country. For policy making, however, the evidence-based component is critical, especially when it comes to investing into regions or financing regional strategies. Identification of regional pockets of poverty within the country is of great importance for policy and how taxation should be distributed across cities or regions.
- 25. Although there are internal differences between the EECCA countries, the similarities in the region are strong and that could allow for developing a single index covering certain groups of countries in the region. The first endeavour in building region-wide measures might be to simply change the threshold for deprivation with the indicators from the global index.
- 26. The EECCA countries have used various approaches and methods in calculating their national MPIs. A study to identify the commonalities, including which indicators were chosen and how, and what sources were used for the data collection, would provide the common ground, and help countries select and validate the indicators used in building their national indexes. It will also offer support for harmonisation of approaches similarly to other harmonisation efforts, such as the UNECE harmonised survey module for poverty measurement or cross-country services like SILC and MICS have proven their usefulness.

B. Assessing and improving survey methods

- 27. The session included presentations from Kazakhstan and two UNECE consultants on improving their survey methods and poverty measurement in the context of SDG requirements.
- 28. The parties expressed their satisfaction with the excellent outcome of the technical assistance project, which helped to transform theoretical and technical aspects into concrete actions. Among the issues discussed was the sampling methodology, how to optimise the survey design and improve the survey quality and accuracy and data disaggregation. The project supported the implementation of the recommendations of the UNECE (2020) guide "Poverty measurement: guide to data disaggregation".
- 29. Full reports of the consultants are available at the workshop's web page.

IV. Conclusions

- 30. The meeting recommended continued efforts in harmonisation and enhancement of the use of household surveys in the EECCA region for the purpose of developing multidimensional poverty measures and disaggregations in the context of the 2030 Agenda for Sustainable Development. The country experiences shared during the meeting supported statistical offices in developing national measures.
- 31. Countries expressed satisfaction with the workshop and commitment for collaborative work in the future.