

Implementation of the Third United Nations Decade for the Eradication of Poverty (2018-2027)

“Accelerating Global Actions for a World without Poverty”

Progress in eradicating multidimensional poverty: Evidence from the global MPI

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Introduction

The First United Nations Decade for the Eradication of Poverty established the end of poverty as a priority across the UN system.¹ In 2018, the Third United Nations Decade commenced, calling for ‘Accelerating Global Actions for a World without Poverty’ in line with Agenda 2030, and putting forward “an inter-agency, system-wide plan of action for poverty eradication”.² The global Multidimensional Poverty Index (MPI) was included for the first time as a tool to monitor the Third UN Decade achievements. This paper outlines progress in multidimensional poverty reduction according to the trends in the global MPI.

The inclusion of multidimensional poverty measures alongside monetary poverty measures to track progress has been increasing. The World Bank Commission on *Monitoring Global Poverty* led by the late Sir Tony Atkinson recommended the use of monetary and non-monetary measures to monitor poverty, and explicitly commended a multi-dimensioned indicator based on the MPI methodology (World Bank, 2017).

The 2019 *Global Sustainable Development Report: The Future is Now* written by an Independent Group of Scientists appointed by the UN Secretary-General, suggested taking a multidimensional approach when implementing the 2030 Agenda and observed that the global MPI by which at that point 1.3 billion persons were poor presented a ‘more sobering picture’ than the extreme monetary poverty measure. They also recommended “Countries should measure and address poverty in a multidimensional way”, not only because of the importance of SDG 1, No Poverty, but also because the component indicators also address other SDGs.



Figure 1 Source: Global SDG report p 39

As mentioned earlier (2021), the use of the global MPI synergises with the Third UN Decade in several ways: First, like the Sustainability Development Goals (SDGs), the Third UN Decade pledges to end poverty in *all its forms*, hence recognises poverty as multidimensional as well as monetary: “Ending poverty is not just about people’s income but also their access to basic needs, such as quality education and health care, clean water and sanitation, decent housing and security.”³

Secondly, the Third UN Decade agenda affirms the SDG call *to leave no one behind* and identifies ‘reducing inequality’ as a policy area.⁴ Citing the number of people and of children who are poor according to the global MPI, the document observes that “the poorest of the poor are subject to overlapping dimensions of poverty and inequalities.” The extensive global MPI information by indicator and population subgroups, provides crucial information to assess and address the different manifestations of inequality, as called for in the Third UN Decade.

Thirdly, the implementation of the Third UN Decade calls for *integrated, multisectoral policies*: “The overarching objective regarding non-income dimensions of poverty is to promote integrated approaches and policy frameworks to address multidimensional poverty.” The plan of action for the Third Decade seeks to ensure and facilitate cooperation and collaboration for interagency action and support for

¹ United Nations 1997, 2

² United Nations 2018, 2

³ United Nations 2018, 13–14

⁴ United Nations 2018, 15

strengthening member states to implement the Agenda 2030.⁵ The global MPI makes visible the impact of integrated programmes on interconnected deprivations that batter poor people’s lives together and are related to SDGs 1, 2, 3, 4, 6, 7, and 11.

This background paper provides an overview of recent multidimensional poverty levels and trends to show how and how people are poor, what progress been made towards a world without poverty and how such data should inform action.

Part I: Progress in reducing Multidimensional Poverty across developing regions.

The global MPI levels and trends show what progress has been made towards a world without poverty and how further progress might be effectively advanced. This section draws extensively on the 2023 global MPI data and report of those findings.⁶ Unless otherwise specified the words ‘poor’ and ‘poverty’ henceforth refer to multidimensional poverty.

Multidimensional Poverty Levels Globally

The global MPI 2023 report provides estimated multidimensional poverty levels for 110 developing countries that house a total population of 6.1 billion people. Of these, 1.1 billion – 18% – are identified as multidimensionally poor. 83% of all multidimensional poor people live in Sub-Saharan Africa and South Asia– 534 million and 389 million, respectively.⁷

By age, the global MPI consistently illuminates the plight of children. Half of the poor people are children under the age of 18 (566 million poor children). On average, 27.7 percent of children are poor, compared with 13.4 percent of adults. This disparity does not bode well for intergenerational recovery from poverty.

Multidimensional poverty is markedly higher in rural areas in every world region, and overall nearly 84% of all poor people live in rural areas. The disparity is highest in South Asia, where seven out of eight or 87.5% of poor people live in rural areas (340 million) compared with 12.5% (49 million) in urban areas.

The 2023 global MPI report also examined national and subnational patterns of MPI according to its two consistent subindices: the incidence of poverty, or percentage of people who are poor, and the intensity, which is the average share of deprivations poor people experience. As the upward sloping bubbles in Figure 2 show, where the highest percentage of people are poor (incidence), each poor person tends to be deprived in a higher share of weighted deprivations (intensity). This was also the case across subnational regions, as Figure 3 – showing the Arab regions – suggests.

The higher the incidence of poverty, the higher the intensity of poverty that poor people tend to experience

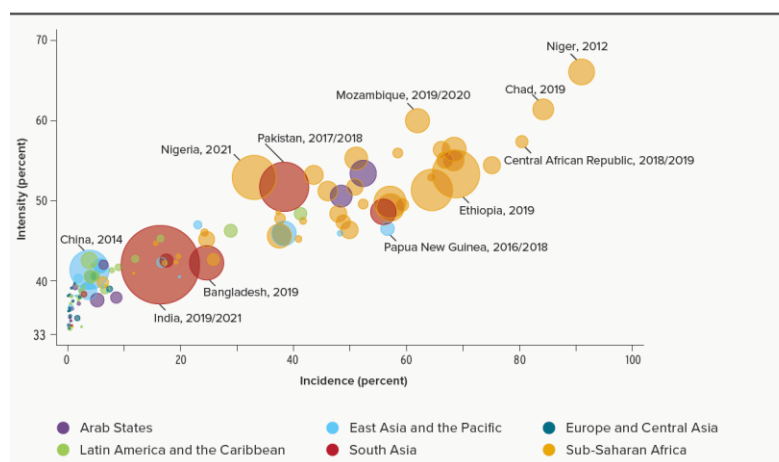


Figure 2 Source: : UNDP-OPHI 2023, Figure 4.

⁵ United Nations 2018, 9–11

⁶ UNDP and OPHI 2023; Alkire, Kanagaratnam, and Suppa 2023;

⁷ UNDP and OPHI 2023

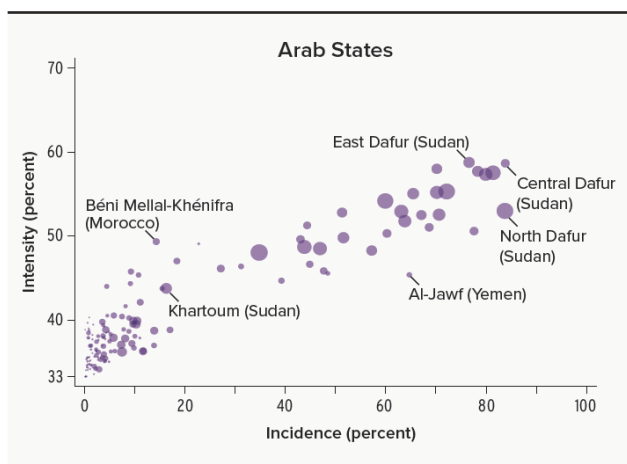


Figure 3 Source: UNDP-OPHI 2023, Figure 6a

Each of the 10 indicators in the global MPI contribute to poverty in every region, with the highest number of poor people who are deprived in any indicator being the 991 million lacking clean cooking fuel, signalling the large need for clean energy. However note that indicator deprivation levels vary by region: electricity deprivations are primarily found in Sub-Saharan Africa (underscoring the energy poverty in that region), whereas roughly equal numbers of people in South Asia and Sub-Saharan Africa have one or more undernourished persons in their household, suggesting that nutrition remains a top priority in South Asia.

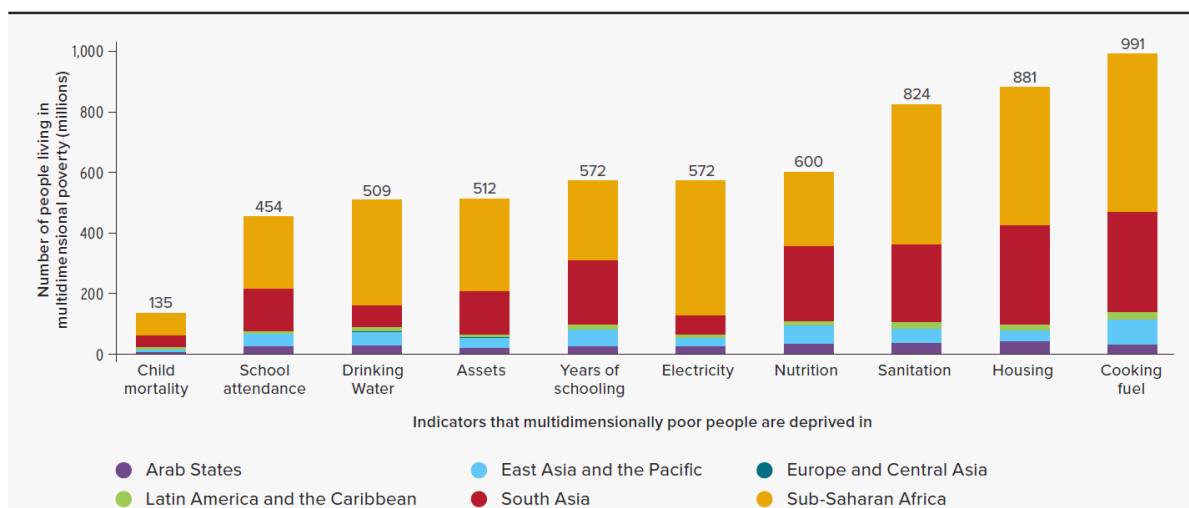


Figure 4 Source: Source: UNDP-OPHI 2023, Figure 10

How has Multidimensional Poverty Reduced?

A first observation, which is positive, is that a number of countries included in the database already have very low levels of poverty. In 37 of the 110 countries for example, less than three percent of the population were living in multidimensional poverty in the most recent dataset. Countries with such low levels of poverty can improve, but they are already very near to the goal of eradicating poverty as measured by the global MPI.

Trends in the global MPI are reported for 81 countries covering over 5 billion people in Table 2 the joint UNDP-OPHI 2023 global MPI report. Trends data on the level of poverty and of its component indicators are disaggregated by subnational region, age group and rural urban area in the online OPHI tables.⁸ A

⁸ Alkire Kanagartnam and Suppa 2023, table 6

significant challenge is that still most countries' data are pre-pandemic so do not make visible the impact of the pandemic on poverty. Yet findings at that time are encouraging.

Of the 81 covered countries, 72 countries significantly reduced the global MPI in absolute terms during at least one period; 24 countries reduced poverty significantly in two periods.⁹ But nine countries had no significant change in any period.¹⁰

Interestingly, 25 countries significantly reduced poor people's deprivations in every single indicator.

The three countries that had the fastest absolute reduction of the incidence of MPI are Sierra Leone, Timor L'este and Togo. And those in which the greatest number of people left multidimensional poverty are India, China and Bangladesh. These country examples give some sense that the Third Decade goals are feasible.

☞ <i>Fastest:</i>	Sierra Leone	74% - 58% in 4 years
	Timor Leste	70% - 47% in 6.5 years
	Togo	55% - 43% in 3.5 years
☞ <i>Largest Number of Poor:</i>	India	55% - 16% in 15 years – 415 M out of poverty
	China	9.5% - 4.2% in 4 years – 69 M out of poverty
	Bangladesh	38% - 24% in 5 years – 19 M out of poverty

Fully 25 of the 81 countries halved their global MPI value, and did so within 4-12 years, showing that the SDG target 1.2 to halve multidimensional poverty within 15 years is feasible for many countries. These include countries from every world region, as the table below shows.

Table 1: 25 countries halved their global MPI value in under 15 years

Arab States (1)	East Asia & Pacific (6)	Europe and Central Asia (5)	Latin America & Caribbean (7)	South Asia (2)	Sub-Saharan Africa (4)
Morocco	Cambodia	Albania	Plurinational State of Bolivia	India	Gabon
	China	Kyrgyzstan	Dominican Republic	Nepal	Congo
	Indonesia	North Macedonia	Guyana		Lesotho
	Mongolia	Serbia	Honduras		Sao Tome & Principe
	Thailand	Turkmenistan	Nicaragua		
	Viet Nam		Peru		
			Suriname		

Countries of different sizes halved poverty ranging from small countries such as Sao Tome and Principe and Guyana to large countries like China, India and Indonesia. Cambodia halved its MPI in a 7.5 year periods which spanned the Covid-19 pandemic (2014–2021/2022).

⁹ Plurinational State of Bolivia (2003–2008, 2008–2016), Cambodia (2010–2014, 2014–2021/2022), Democratic Republic of the Congo (2007–2013/2014, 2013/2014–2017/2018), Dominican Republic (2007–2014, 2014–2019), Ethiopia (2011–2016, 2016–2019), Gambia (2005/2006–2013, 2013–2018), Honduras (2005/2006–2011/2012, 2011/2012–2019), India (2005/2006–2015/2016, 2015/2016–2019/2021), Kyrgyzstan (2005/2006–2014, 2014–2018), Lesotho (2009–2014, 2014–2018), Liberia (2007–2013, 2013–2019/2020), Mali (2006–2015, 2015–2018), Mexico (2012–2016, 2016–2020), Mongolia (2010–2013, 2013–2018), Nepal (2011–2016, 2016–2019), North Macedonia (2005/2006–2011, 2011–2018/2019), Peru (2012–2018, 2019–2021), Rwanda (2010–2014/2015, 2014/2015–2019/2020), Sao Tome and Principe (2008/2009–2014, 2014–2019), Sierra Leone (2013–2017, 2017–2019), Suriname (2006–2010, 2010–2018), Thailand (2012–2015/2016, 2015/2016–2019), Zambia (2007–2013/2014, 2013/2014–2018) and Zimbabwe (2010/2011–2015, 2015–2019)

¹⁰ The countries that had no significant change: Armenia (2010–2015/2016), Benin (2014–2017/2018), Burkina Faso (2006–2010), Cameroon (2011–2014, 2014–2018), Guinea-Bissau (2014–2018/2019), Jordan (2012–2017/2018), Montenegro (2013–2018), State of Palestine (2010–2014, 2014–2019/2020) and Ukraine (2007–2012).

Countries with different starting levels of poverty also halved poverty. For 17 of the 25 countries that halved their MPI, less than 25% of their population were poor in the initial period; but in India and Congo, the initial incidence of poverty was 55% and 54% respectively.

However changes were not all positive. In 42 countries—over half of those covered—children either had no significant poverty reduction, or it reduced more slowly than adults (who were less poor) in at least one period – so children were being left behind.

In 15 countries that did reduce MPI significantly, the number of poor people increased because population growth outpaced poverty reduction. For example in Ethiopia and Nigeria, the number of poor people increased by 5 million people (during 2011-2016 for Ethiopia and 2013-2016/17 for Nigeria), while in Democratic Republic of the Congo the number of poor people increased by 8 million in 6.5 years.

Two countries significantly increased their global MPI value: Guinea and the Central African Republic.

Furthermore, sadly none of the poorest 37 countries¹¹ according to the earliest dataset used, halved their MPI, even though some, like Sierra Leone and Togo, had periods with fast progress. And 33 of these 37 countries are in Sub-Saharan Africa. In these contexts, the global MPI sounds a ringing call to action: without concerted investment in the poorest countries, they will be left behind in terms of poverty in its many forms.

Conclusion

In 2023, 1.1 billion people are poor according to the global Multidimensional Poverty Index (MPI), which is a key measure in the 3rd Decade to Eradicate Poverty, a measure used in the 2019 Global SDG Report, and updated annually by UNDP and OPHI.

Data post-pandemic are not extensively available yet, so there is an unfortunate lag in measuring progress during the Third Decade 2018-2027. But in the fifteen years previous to 2020, 415 million people (0.415 billion people) left poverty in India, showing that strong progress of global proportions is possible, and in 4 to 5 year periods in China, Bangladesh and Indonesia, over 95 million people left poverty, showing that the scale of require change is possible. Indeed 72 of the 81 countries having data on poverty trends showed significant reduction in at least one period, and 25 of these countries actually cut their global MPI value by one-half within 4 to 12 years. This shows that strong progress towards the eradication of poverty is feasible and being made at a global level.

However, the progress is uneven, and worrying. The number of people who are poor increased in 15 countries that reduced MPI, mainly in Africa. In over half of the countries children – who are poor than adults in most countries – reduced poverty more slowly than adults, or did not reduce it at all. Furthermore, none of the poorest 37 countries covered – 33 of which are in Sub-Saharan Africa – cut their poverty by half, suggesting that an acceleration of poverty reduction efforts is critical in these countries, especially given their susceptibility to other shocks of a climate, conflict, or economic type.

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¹¹ (Ranked from poorest) Niger, Chad, Burkina Faso, Central African Republic, Ethiopia, Mali, Burundi, Mozambique, Madagascar, Congo, Democratic Republic of the, Guinea, Benin, Guinea-Bissau, Gambia, Liberia, Mauritania, Togo, Sierra Leone, Tanzania, Senegal, Rwanda, Uganda, Sudan, Zambia, Malawi, Cameroon, Côte d'Ivoire, Timor-Leste, Nigeria, Pakistan, Haiti, Kenya, Cambodia, Namibia, Zimbabwe, Ghana, Lesotho

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References

Appendix I: About the MPI

The global MPI is an internationally comparable measure of acute poverty, launched in 2010 by the Oxford Poverty Human Development Initiative at Oxford and the Human Development Report Office of the United Nations Development Programme for the flagship Human Development Reports. It was introduced as result of a growing understanding and recognition of the multidimensionality of poverty and that monetary measures are insufficient to reflect the reality and richness of people's experiences and the deprivations they face.

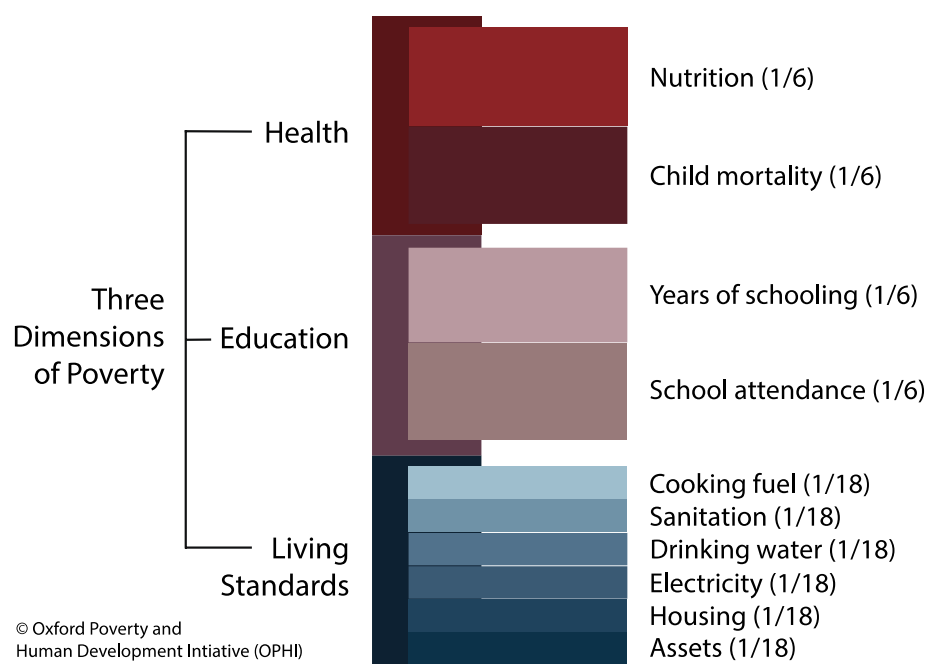
The MPI was revised in 2018 to better align with the SDGs. Standing as a complement to monetary poverty measures for the SDG 1, the global MPI and its linked information platform shows acute deprivations in the three dimensions of education, health, and living standards using ten core non-monetary deprivations. These ten indicators are related to SDGs 2, 3, 4, 6, 7, and 11. Therefore, the global MPI is tool that can be unfolded to evaluate the progress in individual aspects of people's lives, whilst also capturing joint deprivations and interlinkages.

The MPI is constructed using the Alkire-Foster method (2011) which is flexible in terms of dimensions, indicator, weights, and poverty cut-offs, and can be used for individual- or house-level data. The global MPI is based predominately on Demographic and Health Surveys (DHS) and Multiple Indicator Cluster Surveys (MICS). As seen in Figure 3, the three dimensions are equally weighted and the indicators within the respective dimension as well. A person is identified as poor if he/she is deprived in at least one third of all weighted indicators. The MPI is computed by multiplying the headcount ratio and intensity of poverty and is, thus, able to reflect changes in both, the incidence of poverty as well as the average proportion of deprivations faced by people. The global MPI is extensively disaggregated, by subnational regions, rural/urban areas, and age cohort.

The MPI Glossary

MPI - Multidimensional Poverty Index	$MPI = H * A$ The MPI is the product of incidence and intensity and ranges between 0 and 1, 0 indicating no one is MPI poor and 1 indicating that all people are deprived in all indicators.
H – Incidence (%)	Proportion of population in Multidimensional Poverty
A – Intensity (%)	Average proportion of weighted deprivations among the poor
MPI poor (thousands)	Number of people who are multidimensionally poor
Censored Headcount Ratio (%)	Proportion of people who are MPI poor and experience deprivations in the respective indicator
Absolute change (annualised)	The difference in a poverty measure between two years, divided by the number of years between surveys
Population change (thousands)	The total reduction number in MPI poor people between the two survey years.

Figure 5: The Structure of the MPI (Dimensions, Indicators and Weights)



*Explanatory Note:*¹²

Nutrition: Any person under 70 years of age for whom there is nutritional information is undernourished. Children under 5 years (60 months and younger) are considered undernourished if their z-score of either height-for-age (stunting) or weight-for-age (underweight) is below minus two standard deviations from the median of the reference population. Children 5-19 years (61-228 months) are identified as deprived if their age-specific BMI cutoff is below minus two standard deviations. Adults older than 19 to 70 years (229-840 months) are considered undernourished if their Body Mass Index (BMI) is below 18.5m/kg².

Child mortality: A child under 18 has died in the household in the five-year period preceding the survey, based on birth history data provided by mothers aged 15 to 49.

Years of schooling: No eligible household member has completed six years of schooling.

School attendance: Any school-aged child is not attending school up to the age at which he or she would complete class 8.

Cooking fuel: A household cooks using solid fuel, such as dung, agricultural crop, shrubs, wood, charcoal, or coal. (If the survey report uses other definitions of solid fuel, these definitions are followed).

Sanitation: The household has unimproved or no sanitation facility or it is improved but shared with other households. A household is considered to have access to improved sanitation if it has some type of flush toilet or latrine, or ventilated improved pit or composting toilet, provided that they are not shared. If the survey report uses other definitions of adequate sanitation, these definitions are followed.

Drinking water: The household's source of drinking water is not safe or safe drinking water is a 30-minute or longer walk from home, roundtrip. A household has access to clean drinking water if the water sources is any of the following types: piped water, public tap, borehole, or pump, protected well, protected spring, or rainwater, and it is within a 30-minute walk, round trip. If the survey report uses other definitions, these definitions are followed.

Electricity: The household has no electricity.

Housing: The household has inadequate housing materials in any of the three components: floor, roof, or walls. Deprived if floor is made of natural materials or if dwelling has no roof or walls or if either the roof or walls are constructed using natural or rudimentary materials. The definition of natural rudimentary materials follows the classification used in country-specific DHS or MICS questionnaires.

Assets: 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.

¹² Alkire, Kanagaratnam, and Suppa 2020, 8