

## Regional technical assistance and partnerships

### Tools and poverty-measurement instruments for policymakers

ESCWA provided regional support to Member States in their efforts to measure and monitor monetary and multidimensional poverty, a key step towards achieving SDG targets 1.1 and 1.2, respectively. This support involved introducing new tools and techniques to estimate national multidimensional poverty indices (MPIs). In 2022, ESCWA launched the **MPI Assist Tool (MAT)**, a user-friendly tool enabling countries to develop national MPIs tailored to their specific challenges and vulnerabilities. The tool is being continuously updated to include simulation and **poverty-reduction optimization modules** allowing national planners to identify which national MPI indicators need to reduce fastest to reach an overall MPI reduction target by a set timeline (e.g., 2030). In 2022, ESCWA released a **Massive Open Online Course (MOOC)** called "Designing a Multidimensional Poverty Index" (MPI) in Arabic, in partnership with the Oxford Poverty and Human Development Initiative (OPHI) which is made accessible to users in the region.

Regarding monetary poverty, a new tool has been developed by ESCWA (**Money-Metric Poverty Assist Tool, MPAT**) to assist users with computing national and regional income poverty and enable them to assess poverty statistics under various scenarios. The ESCWA tools are coupled with training modules and promoted through workshops to support implementation.

### Regional workshops and trainings

Building on its advances in providing tools for building and using national MPIs, ESCWA organized a regional capacity-building workshop for public officials, "**Multidimensional poverty indices for poverty reduction strategies**", held in Beirut on 28-30 November 2022. Policy makers from the Arab region as well as global and regional experts discussed best practices in adopting national MPIs to effectively inform public policies.

Furthermore, ESCWA in 2022 organized two social-protection related peer-exchanges, "**Supporting the Effective Implementation of Conditional Cash Transfers**" and "**Extending social insurance to persons in non-standard forms of work**", respectively at the request of **Egypt** and **Jordan**. These gathered policy-makers as well as experts from around the Arab region and beyond.

## Country-level technical assistance

Among the state-level technical assistance provided by ESCWA in 2022, particular attention was given to support several Member States.

ESCWA has made significant progress in assisting Member States with developing their national MPIs, specifically **Egypt**, **Iraq** and **Somalia**. In Egypt the National MPI was designed in partnership with OPHI and national counterparts and an MPI reduction paper relying on ESCWA's optimization model was completed. The measurement structures and results were also validated, and public officials were trained on implementing the MPIs in their policy work during workshops in Amman on 5-9 September 2022, titled "**Validation and capacity-building on multidimensional poverty: Iraq**", and in Nairobi on 27-31 August, titled "**Multidimensional poverty and poverty reduction policies in Somalia**". ESCWA is currently working with officials from **Mauritania** to optimize national MPI reduction targets, building on Mauritania's national MPI released in March 2023.

In **Palestine**, ESCWA (in partnership with the League of Arab States and the National Statistics Office) assisted with the development of a draft **“National Poverty Reduction Strategy for Palestine”**. The ESCWA poverty-reduction optimization model was applied to shed light on the areas of focus by policymakers and on feasible policy interventions needed to reach the 2030 SDG targets.

Moreover, as part of the effort to develop national MPIs, ESCWA has been actively working with the **government of Egypt** in developing a **national MPI** which is scheduled to be launched within 2023.

Given that social protection is increasingly recognized as indispensable for poverty reduction, ESCWA is producing **Comprehensive National Social Protection Systems and Reforms Country Profiles**. These will not merely provide policy makers with a detailed and comprehensive baseline of their social protection systems in terms of design, delivery mechanisms and organizational set-up, but will also chart out reform needs and options,. ESCWA has so far received requests to produce Country Profiles for **Jordan, Mauritania, Tunisia, Egypt** and **Qatar**, the process having already been launched in the first four of these countries.

Specifically concerning poverty-targeted social assistance, ESCWA in response to requests from Member States in 2022 and 2023 applied its **Social Protection Programme – Rapid Analysis Framework (SPP-RAF)** to the main cash transfer schemes in **Jordan, Mauritania, Tunisia** and **Egypt**. The SPP-RAF comprises of four distinctive tools enabling different types of analysis, namely profiling (*“clustering”*) of beneficiaries along common socio-demographic and socio-economic characteristics, targeting variable relevance, target group coverage evaluation in terms of inclusion and exclusion shortcomings, and beneficiary evaluation in terms of graduation readiness. Social protection policy makers and implementors in all four countries were furthermore trained by ESCWA on how to autonomously apply the SPP-RAF. In **Mauritania**, ESCWA also provided the **TRANSFORM social protection training package** to Ministry of Social Action, Childhood and Family staff. In addition, **Jordan** received ESCWA support relating to the graduation of beneficiaries.

## Knowledge-generation and contributions to poverty measurement and poverty reduction techniques

ESCWA contributed to the global and regional income poverty measurement and projection approaches. First, in the technical paper **“Obstructed poverty reduction: growth-passthrough analysis”** ([E/ESCWA/CL3.SEP/2022/TP.18](#)) the methodology of passthrough estimation (to what degree does national growth trickle down to household income growth?) was developed, and poverty headcounts were estimated accordingly for 183 countries using the \$1.9 poverty line of extreme poverty and national poverty lines. Second, in the technical paper **“Counting the world’s poor: Back to Engel’s law”** ([E/ESCWA/CL2.GPID/2022/TP.21](#)) ESCWA’s concave poverty line (CPL) was proposed. The approach yields a consistent yet country-specific set of poverty lines, internationally comparable and allowing for consistently estimating progress towards achieving the 2030 Agenda. Following this analysis, the technical report **“Estimating growth in Household income from national accounts: Parametric and non-parametric models”** ([E/ESCWA/CL2.GPID/2023/TP.4](#)) evaluates alternative parametric and non-parametric methods for estimating household income/expenditure levels based on national accounts data for 183 countries.

ESCWA, in collaboration with the League of Arab States, UNICEF, UNDP, UNFPA and OPHI, produced the flagship report **“Second Arab Multidimensional Poverty Report”** ([E/ESCWA/CL2.GPID/2022/4](#)), updating the scale of multidimensional poverty among households and children in the region and offering practical policy solutions to eradicate poverty in all forms. For household poverty in Arab middle income countries, it uses a Revised Arab MPI framework endorsed by the Arab Social Ministerial Council in December 2020.

ESCWA also developed an optimization model to provide national planners with relevant instruments to ensure the efficient use of limited resources and the achievement of poverty reduction targets. In 2022, the paper **“Optimization model for poverty reduction strategies”** ([E/ESCWA/CL3.SEP/2022/TP.14](#)), was published. A second paper, **“Optimized multidimensional poverty reduction subject to aid targeting and tailoring: a model centered on policymakers’ capabilities”** ([E/ESCWA/CL2.GPID/2023/TP.1](#)), builds on the existing models, enhancing the conceptual framework and the corresponding technical specifications of the State’s action-space in targeting assistance to households.

ESCWA also examined the middle class’s economic status in three middle-income Arab countries in a working paper entitled: **“The economic status of the middle class: the situation in Egypt, Jordan and the State of Palestine”** ([E/ESCWA/CL4.SIT/2023/WP.3](#)). In the same series, ESCWA published a study on **“Social Protection and the Middle-class: Evidence from Egypt, Jordan, and Tunisia”** ([E/ESCWA/CL4.SIT/2023/WP.5](#)), which – amongst others - examines the impact of recent economic reforms in these three countries on the upper and lower middle-class in terms of social protection coverage. To assess its modeling techniques, ESCWA held two expert group meetings dedicated to its developed modeling and simulation techniques for poverty measurement.

ESCWA’s work on poverty also involves looking at inequality of income and concentration of wealth which provide part of the explanation of increasing money-metric poverty trends in the Arab region. ([E/ESCWA/CL2.GPID/2020/TP.9](#))