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Addendum

Report of the Workshop on harmonization of poverty statistics to measure Sustainable Development Goal 1

Note by the secretariat

Summary

The present report presents the key outcomes of the Workshop on harmonization of of poverty statistics to measure SDG 1 which took place on 4 December 2019 in Geneva, Switzerland.

The workshop was organized following a decision of the Conference of European Statisticians in June 2019 (ECE/CES/2019/13). The report is submitted to the Conference of European Statisticians for information.

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I. Attendance

1. The UNECE workshop on harmonisation of poverty statistics was held on 4 December 2019 in Geneva, Switzerland. It was attended by participants from Armenia, Austria, Azerbaijan, Belarus, Bosnia and Herzegovina, Georgia, Kazakhstan, Kyrgyzstan, Mexico, Republic of Moldova, Russian Federation, Tajikistan, Ukraine, United Kingdom and Uzbekistan. Representatives of the following organisations participated in the meeting: Interstate Statistical Committee of the Commonwealth of Independent States (CIS-Stat), International Women's Development Agency (Australia), United Nations Development Programme (UNDP) and the United Nations Resident Coordination Office Kyrgyzstan. Experts from University of Oxford (United Kingdom) also participated.

2. The workshop was conducted with support from the United Nations Development Account (10th tranche).

II. Organization

3. The following topics were discussed at the workshop:

- Progress made on measuring SDG 1 “End poverty”
- Harmonization data collection on poverty in household surveys.

4. The discussion at the workshop was based on contributions available at http://www.unece.org/index.php?id=51513.

5. The meeting was held back-to-back with the UNECE Expert meeting on measuring poverty and inequality: SDGs 1 and 10 (5-6 December 2019).

III. Summary of proceedings

A. Progress made on measuring SDG 1 “End poverty”

6. The availability of high-quality, accessible and disaggregated data is of great importance for the adoption of informed decisions and full implementation of the 2030 Agenda for Sustainable Development. National statistical offices therefore are working to strengthen their capacity to produce data for the development of SDG priority indicators on poverty[1] and shared their experiences during the Workshop.

7. According to a 2016 survey by CIS-Stat, 111 indicators (out of the 232 global SDG indicators), were identified as most relevant for CIS countries. Currently, more than a third of these 111 indicators are not provided with statistical data. The list of SDG indicators for the CIS countries is available on the CIS-STAT website in “Statistics for the SDGs: CIS Region” section. Currently, the data collection covers 15 (of the 17 SDG goals) and contains a number of additional indicators, which were agreed with the national statistical offices. As the methodology develops and countries increasingly calculate global indicators, the additional indicators from the CIS-Stat data collection will be gradually updated and where possible replaced by the global ones.

8. The following points were made during the discussion:

- Most of the CIS countries include indicator 1.1.1 in their national SDG indicator lists. The calculations were done by the statistical offices and in some cases with support from the World Bank. Uzbekistan plans to insert this indicator in the future
- Countries use two different methodology in reporting under indicator 1.2.1. Belarus, Kazakhstan, Russian Federation and Ukraine use “living wage” to indicate income (spending) below the official national limit, while Azerbaijan, Armenia, Kyrgyzstan, Republic of Moldova, Tajikistan and Uzbekistan use poverty line. Countries face

[1] For list of indicators, see https://unstats.un.org/sdgs/metadata/.

challenges in disaggregation, especially with respect to children, elderly and people with disabilities. There are also cross-country differences in disaggregation by certain population groups. For instance, in Azerbaijan older people include 65-year-olds and older, in Belarus – persons beyond the official retirement age; and in Russian Federation – men and women aged between 66 and 75, and men and women aged 76 and more.

- CIS countries are on different stages of implementing a multidimensional poverty index (MPI, indicator 1.2.2). Armenia releases MPI data since 2016 (according to five dimensions: basic needs, housing, education, work and health). Republic of Moldova developed MPI estimates on six dimensions (human dignity and corruption, health, education, housing, infrastructure and environment, employment and solvency and social protection) and field data collection on missing indicators is currently ongoing. Belarus and Russian Federation have carried out pilot calculations. Kazakhstan is currently developing its national methodologies. In the majority of countries, the disaggregation of MPI's estimates is planned for the future.
- Under indicator 1.2.2, Armenia and Kazakhstan report material deprivation index (MDI). Azerbaijan and Republic of Moldova are planning to develop MDI and also AROPE, the headline indicator to monitor the EU 2020 Strategy poverty target. In Belarus, the Multiple Indicator Cluster Survey (MICS) of children and women developed by UNICEF was carried out in 2012 and in 2019 and will be used to report the percentage of men, women and children of all ages who live in poverty in all its manifestations. In Belarus, both MDI and AROPE are calculated but not included in the national SDGs list.
- In most CIS countries, indicator 1.3.1 is still under development. In the Russian Federation, the development of the methodology for this indicator rests with the Ministry of Labour and Social Protection.
- In most CIS countries, the list of basic services used to assess indicator 1.4.1 is not fully defined. In some cases, e.g. in the Republic of Moldova, the nationalised version of this indicator has significantly changed the indicator. Belarus, Kazakhstan and Uzbekistan have added as a national indicator the "percentage of the population that has a dwelling with decent amenities".
- Currently information on the implementation indicators, 1.a and 1.b. is unavailable.
- Most CIS countries have developed national reporting platforms for SDG indicators[2]. The work in Georgia and Ukraine is in progress. Belarus and Tajikistan are planning to add key poverty indicators to their platforms. Uzbekistan has made substantial progress in publishing data online (also beyond SDG data).

9. In 2019, CIS-Stat conducted a survey on the progress in organizing and developing the SDG monitoring in CIS countries. The results will be further used to develop an information platform and revise the list of indicators for the CIS region.

10. During its 67th plenary session in June 2019, the Conference of European Statisticians mandated UNECE (Statistical Division) and a task team led by Denmark to establish a regional platform on statistics for SDGs summarising the recommendations, tools and other related information, as well, the regional approach for collecting and disseminating the SDG indicators. On 2 December, UNECE launched the Knowledge Hub on Statistics for SDGs one of the three parts of UNECE Platform on Statistics for SDGs (database and dashboard to be launched in March 2020).

A. Harmonization of data collection on poverty in household surveys

11. The session discussed issues of data comparability in poverty assessment in CIS countries. Significant progress has been made in recent years on the implementation of various methods of poverty assessment in national practice. While previously, the mostly

[2] https://statswiki.unece.org/display/SFSDG/Summary+of+Progress+in+UNECE+countries

used approach was based on monetary poverty estimates, countries are now gradually introducing new surveys and non-monetary (multidimensional) approaches and concepts.

12. The concept of absolute poverty based on matching the population income or expenses to a minimum remains the most widespread approach for poverty measurement in the CIS countries. Absolute poverty indicators are used for both international comparisons and national estimates. The main methodological differences in the estimation of the poor population are based on the choice of poverty line (either subsistence level or national poverty line), on the use of different indicators of the population's well-being (income or expenditure) and on the use of different equivalence scales by individual countries.

13. When changing the methods of calculating the poverty line, countries do not always recalculate historical data using the new methodology. It is therefore essential to include appropriate footnotes about methodology changes in a dynamic data range within a country when reporting.

14. The UNECE project “Harmonized poverty indicators for monitoring sustainable development in CIS countries” with the objective to strengthen the statistical capacity for producing comparable and reliable poverty indicators for monitoring sustainable development was finalized in 2018. The model set of questions of the UNECE Harmonized Survey Module for Poverty Measurement designed under the project were tested in four pilot countries – Azerbaijan, Belarus, Kazakhstan and Kyrgyzstan. During the Workshop, the pilot countries shared their follow up experience with the survey module and discussed their continued efforts in compiling harmonized poverty data to improve cross-country comparability.

15. The following main pointes were outlined in the discussion:

- Azerbaijan focused in particular on developing a material deprivation module based on the UNECE survey module recommendations and Eurostat’s methodology. In 2019, they launched the module as part of the regular household budget survey. Being new, the material deprivation module was easier to implement in terms of technical requirements. The recommendations on the already existing modules, i.e. expenditure and income modules, however were well-noted and will be taken into account in the future.

- Belarus noted that the current survey tools are enough to obtain the necessary data for poverty estimates based on expenditure questionnaires. The accurate calculation of some income components necessary for producing disposable income data (as prescribed by the Canberra Group Handbook) cannot be carried out in view of certain specifics in the way utility bills and wage slips are paid in the country.

- In Kazakhstan, following the recommendations of the UNECE consultant, several improvements of the survey questionnaire were implemented, including revision and optimisation of forms, questions, as well as clarification of legislation and instruction materials. New sections of the questionnaire were introduced: on “recreation and culture” and on “other financial expenditures” to allow the calculation of disposable income. Various questions were added on deprivation and self-assessment of poverty in the Quality of Life module. Tips and reminders were made to a number of tables in order to help the respondent classify more accurately the expenses into categories. Finally, inventories of basic food were introduced to facilitate analysis.

- Kyrgyzstan has been working on harmonising its survey questionnaires with the model set of questions. Kyrgyzstan conducted a field test of the harmonised questionnaire, based on recommendations from the UNECE consultant. Improvements in their questionnaire included examples of expense recording, brief instructions for filling the forms out, a structured list of non-food items to align with the COICOP classification, new questions on self-assessment of poverty and material deprivation and on subsidies and compensations to section "Housing and utility expenses". Plans for the future include making changes in the classification of income in accordance with the consultant’s recommendations.

- At the request of countries, CIS-Stat is planning to compare the “Classifier of individual consumption by purpose” used by most countries with the revised

international classification COICOP-2018. CIS-Stat will inform countries about the results.

16. The countries thanked the UNECE consultant for providing technical assistance and recommendations on improving harmonisation of poverty statistics in the region.

B. Conclusions

17. During the discussions this year, it was once again reiterated that the global poverty line of $1.90 is mostly irrelevant for CIS countries. It was largely agreed that there is value for regional harmonisation with respect to poverty thresholds and additional poverty lines at $3.90, $5.00 or $10.00 were suggested to be computed.

18. The meeting recommended continued efforts in producing further disaggregated data on SDGs and sharing it with the users and the public.

19. The importance of national priorities was emphasised as well as the need to cover all country aspects. When using national approach in producing the SDG indicators, countries should develop good national metadata.

20. The four pilot countries – Azerbaijan, Belarus, Kazakhstan and Kyrgyzstan – had taken important steps towards harmonizing the deprivation, consumption and income modules of their survey questionnaires. The results of the project on “Harmonized poverty indicators for monitoring sustainable development in CIS countries” also showed that there is a basis for further harmonisation of the national questionnaires on consumer spending.

21. Countries expressed satisfaction with the Workshop’s discussion and expressed commitment for further collaborative work in the future. They requested further work on developing harmonized methods and continued exchange with respect to definitions, methodologies and metadata used for SDG monitoring.