Child poverty in Europe and Central Asia region: definitions, measurement, trends and recommendations

Discussion paper

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Contents

List of Acronyms

AROPE	At Risk of Poverty or Social Exclusion
BiH	Bosnia and Herzegovina
CAPI	Computer Assisted Personal Interviewing
CRC	Convention on the Rights of the Child
COICOP	Classification of Individual Consumption According to Purpose
DSS	Department of Social Statistics
EaP	Eastern Partnership
ECAR	Europe and Central Asia Region
EU	European Union
GDP	Gross Domestic Product
GNI	Gross National Income
HDI	Human Development Index
HBS	Household Budget Survey
ILCS	Integrated Living Conditions Survey
KAS	Kosovo (UNSCR 1244) Agency of Statistics
KIHS	Kyrgyz Integrated Household Survey
LFS	Labour Force Survey
LSMS	Living Standards Monitoring Survey
MODA	Multiple Overlapping Deprivation Analysis
MPI	Multidimensional Poverty Index
NBS	National Bureau of Statistics
OECD	Organisation for Economic Co-operation and Development
OMC	Open Method Coordination
PHR	Poverty Headcount Ratio
PPP	Purchasing Power Parity
SDGs	Sustainable Development Goals
SILC	Survey on Income and Living Conditions
TLSS	Tajikistan Living Standards Surveys
UNDP	United Nations Development Programme
WB	World Bank

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Executive Summary

Child poverty is one of the most pressing concerns in today's world and a recognized impediment to sustainable economic and social development. There is plenty of evidence that proves a close association between child poverty and a long list of individual and social risks. Lack of financial resources, directly, and through corresponding effects on maternal mental health, parenting and home environment, results in lower cognitive development and school achievement, and problematic social and behavioural development. These effects are stronger when children experience long term poverty and the harmful consequences of child poverty persist in the long term not only for affected individuals, but for societies, economies and future generations[1].

Under the 2030 Agenda for Sustainable Development and its corresponding indicator framework for the goals and targets, child poverty measurement has been included among the new targets and indicators to monitor progress related to Goal 1: End poverty in all its forms everywhere. The SDG indicators provide for three different measurements of poverty: poverty measurement according to the international poverty threshold of $1.90 (PPP), a national monetary poverty threshold and nationally defined multidimensional poverty. All poverty measurements should be disaggregated by sex, age group, employment status and geographical location (urban/rural). While the general poverty rate for a country measures the proportion of the total population that lives below a given poverty threshold, the child poverty rate reports on the proportion of children in the country living below a poverty threshold. Child poverty measurement is a prerequisite to designing effective policies necessary for the realisation of child rights and adhering to international legislation and standards. This report reviews current practice in the collecting data, measuring, and reporting on, child poverty, based on the SDG indicators, and provides recommendations for improving the availability, frequency and completeness of child poverty data in the region.

The Europe and Central Asia region (ECAR) comprises 22 countries that differ significantly in terms of their overall development and poverty outcomes, as well as in their capacity for poverty measurement. To facilitate data presentation and comprehension, countries of the region were separated into two groups. The Group One countries are made of EU member states Bulgaria, Romania, and Croatia, as well as states aspiring to EU-membership such as Turkey, Serbia and the former Yugoslav Republic of Macedonia, which have aligned their statistical standards with the EU statistical acquis. These countries collect data through EU-Surveys on Income and Living Conditions (SILC), and use relative poverty measurement, where the "at risk of poverty" threshold is determined as 60% of the middle value (median) disposable household income. Group Two consists of countries that collect income, consumption and living conditions data through Household Budget Survey (HBS) or another

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[1] Kerris Cooper and Kitty Stewart, Does Money Affect Children's Outcomes: A Systematic Review, Joseph Rowntree Foundation, 2013

similar survey to which they apply either the poverty definition and measurement methodology of <u>absolute</u> poverty proposed by the World Bank or national measures of subsistence levels, together with in some cases the EU approach to measuring relative poverty applied to consumption data. Each country defines its own poverty line, based on the estimate cost of a defined minimum of food and non-food consumption.   Poverty data between Group One and Group Two countries is not comparable both because it is based on different surveys for data collection, and because the poverty analysis is conducted with a different methodology.   Several countries present both relative and absolute measures of poverty, and there are sometimes substantial differences between the two measures within the same country, due to the different methodologies used.

Most, but not all, countries in the region do regularly collect data and report on poverty for the general population. Where this does not occur, it is largely the result of two basic problems: first, that household surveys required for poverty measurements are not conducted on a regular basis; and second, even where countries do conduct household surveys related to income, consumption and living standards on a regular basis, they either do not measure poverty or do not disclose poverty measurements. There may be multiple reasons for this, but what is clear is that countries in the region have different capacities for measurement and different policy priorities. Reporting of child poverty is far less frequent, particularly for many countries in Group Two, where approximately half of countries have either not published official estimates of child poverty at all, or have done so only once. Nevertheless, almost all countries have data from which estimates of child poverty could be made, and all countries that are planning household income, consumption or living standards surveys in future should be able to measure child poverty on that basis.

Child poverty should be measured by considering the age group 0 to 17, which may be further disaggregated to reflect different stages of child's development and the particular needs of each developmental stage. However, countries in the region use different age cohorts for reporting on child poverty. Many countries in the region measure child poverty rates for the age group 0 to age 14, which in many countries is the legal threshold for entering employment, or age group 0 to age 15. Even though they may have the right to work, persons under the age of 18 remain children under the terms of the Convention on the Rights of the Child (CRC), and limiting measurement of child poverty to age 15 underestimates the real child poverty figure.

Internationally comparable poverty estimates based on the international purchasing power parity (PPP) poverty line of $1.90 per day are available for eighteen of the countries in the region within the last five years. Due to the middle income context of most of the region, the rate is very low, below 1% in the majority of countries. If the current higher international poverty line of $3.10 is used, the rate is still below 5% in most countries, with the exception of Albania, Armenia and Kyrgyzstan which have greater proportions living below this poverty

threshold. This clearly raises the question of the universal suitability of international poverty thresholds and their relevance to the ECA region.

However, according to available nationally defined poverty measurements and regardless of the measurement methodology, there are significant numbers of people including children reported to be living in poverty in the region. Among Group One countries, Romania and Serbia have the highest relative poverty rates at around 25 percent, followed by Turkey, Bulgaria, fYROM and Croatia with rates between 20 and 25 percent. In Group Two, reported data shows that countries with the lowest GDP per capita like Tajikistan, Kyrgyzstan, and Armenia have the highest poverty rates at over 30 percent, while the lowest absolute poverty rate, 2.8 percent, is recorded in resource-rich Kazakhstan. However, we should keep in mind the arbitrary nature of national poverty lines, which makes comparison between countries very difficult.

The overall trend in the poverty rate in Group One countries has been relatively stable over the previous five years, although Romania has seen an increase from 22 to 25 percent, while fYROM has seen a decrease from 27 to 22 percent. However, since Group One countries use a relative measure of poverty, the rate of poverty depends on the performance of overall incomes as well as on the incomes of the less well off. In Group Two, the majority of countries have seen poverty rates fall over the same five year period. For example Armenia's rate fell from 35 to 30 percent, Moldova from 18 to 10 percent, and Georgia from 33 to 21 percent between 2011 and 2015. Some countries, for example Montenegro and Ukraine have experienced temporary increases probably linked to events such as regional economic shocks and internal conflicts, but subsequently resumed a downward trend.

Child poverty rates follow the same trend as general poverty, but child poverty rates substantially exceed poverty rates for adults in Group One countries, and poverty rates for the general population in Group Two. In Group One countries, children in both Turkey (34 percent) and Romania (38 percent) are over 1.5 times more likely to be poor than adults, although in Croatia there is almost no difference. Adolescent children in some countries face very high risks of poverty, above 40 percent in Romania and 35 percent in Serbia. In Group Two countries that have available monetary child poverty data, child poverty rates above 30 per cent are reported in some cases, substantially exceeding the general poverty rates in all countries. This indicates the importance of a focus on reducing child poverty if countries are to achieve substantial reductions in overall poverty, as well as the need for child related policies and financial transfers to reduce child poverty.

Although it is challenging to estimate, the available published child poverty data shows significant child poverty in the region. This gives an estimate of 19.3 million children living below national poverty lines, a figure that excludes several countries where there is no child poverty estimate, and which includes some countries that report only up to age 15, therefore

underestimating the total. Household surveys also frequently omit some of the most vulnerable children and those more likely to be living in poverty, such as those living in institutions, displaced or irregular migrants, or children living on the street.

In recognition of the fact that poverty is multidimensional, going beyond income and consumption and reflecting different aspects of social and economic deprivation, new measures of poverty that capture multiple deprivations such as housing, access to health care and education, and access to information, have been developed and are now widely used. A comparative multidimensional measure of acute poverty, the Multidimensional Poverty Index (MPI), has been calculated for several ECAR countries, but its relevance for most countries in the region is limited because the indicators used, for example lack of electricity to the household, having a dirt or sand floor, or presence of primary school children not attending school, are less applicable to the region and the resulting estimated poverty levels are very low. The proportion of children living in MPI poor households has been computed for some ECAR countries from the available data. While the global comparative multidimensional MPI may not provide useful information to guide policy at national level, it is possible to develop national MPI measures, as has been done in Armenia. Most countries where there is national household survey data that covers issues relevant to poverty within the country would be able to do this, and many could commence regular monitoring of a national multidimensional measure.

While the MPI measures household multidimensional deprivation and can be disaggregated for children, more powerful insights into child poverty can be gained from undertaking child specific multidimensional poverty analysis, which looks directly at the deprivations children themselves experience. Multiple Overlapping Deprivation Analysis (MODA) is a child specific measure that uses the child as the unit of analysis, rather than the adult or household, and evaluates child-specific deprivations wherever possible. MODA has been conducted in five countries in the region (Bosnia and Herzegovina, Tajikistan, Kosovo, Armenia, and Ukraine), by adapting the methodology to the national context and making the best use of available data. Using indicators such as immunization status, exposure to violent discipline, overcrowding in the home, these studies suggest multidimensional deprivation is higher than monetary poverty for children, for example 63 percent of children under 5 in BiH experience deprivation in at least three dimensions; while 64 percent of children in Armenia are deprived in at least two dimensions. Children who live below monetary poverty lines are more likely to experience multiple deprivations, but the overlap is not complete.

The European Union measure of exclusion known as "at risk of poverty and social exclusion" (AROPE), which is measured by the Group One countries, also measures aspects of deprivation at household level, including access to employment of household members of working age, and the inability to afford certain items. However, fighting child poverty requires a child oriented approach to identify the extent of multidimensional child deprivation

which means going beyond the AROPE to make full use of data collected on children's lives. Work is ongoing to examine how this can be done for children across the European Union[2].

Multidimensional poverty measurement rests on a good source of micro data for all dimensions. Both EU-SILC and HBS databases, when available, provide sufficient basis for multidimensional poverty analysis. Most countries will need to revise the methodology and tools of their national surveys to adapt to new SDG associated data needs including inter alia key indicators related to multidimensional poverty in general and multidimensional poverty of children in particular. UNICEF supported Multiple Indicator Cluster Surveys (MICS) have been conducted in most countries in the region, and offer the potential to obtain data on a broader list of child – focused indicators which can be used for measurement of multidimensional child poverty. MICS is likely to play a central role in the new 2030 Agenda for Sustainable Development data landscape. It is envisaged that MICS6 questionnaires in the sixth round will cover almost half of all household-based SDG indicators. MICS micro data is fully in the public domain.

The introduction of new technology and techniques for more frequent poverty monitoring have already been applied in some countries, which is making it possible to monitor aspects of child poverty with greater regularity. Globally there are many innovations in monitoring child poverty that could also be applied in this region.

The report makes a number of recommendations to improve measurement and monitoring of child poverty in the ECA region:

- Countries in the region should ensure they are measuring and monitoring child poverty regularly in ways that are meaningful within the national and regional context. At present there are few countries that regularly measure child poverty within the region, although most countries have data available that would allow them to do so relatively easily.

- International measures of poverty such as the World Bank's PPP measures and the OPHI/UNDP Multidimensional Poverty measure should be disaggregated for children. In addition, given the relatively low level of extreme poverty ($1.90 a day) in the region, any higher international poverty thresholds should also be disaggregated for children. Consideration could also be given to different formulations of the MPI that are more relevant for the region, and that would also be disaggregated for children.

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[2] Guio, A.-C., Marlier, E., Gordon, D., Fahmy, E., Nandy, S. and Pomati, M. (2016). Improving the Measurement of Material Deprivation at the European Union Level. Journal of European Social Policy, 26(3), 219–333. doi:10.1177/0958928716642947

- Countries should use available datasets, such as MICS or household survey data, to develop child-specific and life-cycle adapted multidimensional poverty measures that reflect the needs of children at different stages of development. This type of measure can be performed at intervals of 3-5 years as a complement to more frequent disaggregated national measures, since this will give greater insight into child and adolescent poverty.

- Countries should conduct national surveys for poverty measurement every year, in order to inform policy making, see impact of their poverty reduction policies, track progress over time and report on achieving SDG targets, and this data should be made publically available.

- Countries should use their national definitions of monetary and multidimensional child poverty to set ambitious yet achievable targets for reducing child poverty.

- In order to enhance availability and use of child poverty data, countries should consider introducing innovative ways to collect, monitor and report on child poverty data, including ways to encourage child participation in the monitoring and discussion of child poverty data and potential policy responses.

- All poverty data should be disaggregated by sex, age, employment status and geographical location (urban/rural). Countries should harmonise their national definitions regarding children's age with the Convention on the Rights of the Child definition of a child and apply it to statistical measurement, as well as to other policy areas.

- In accordance with national definitions of monetary and multidimensional poverty countries should revise and adopt survey tools to best serve their national needs for poverty measurements. Both HBS and MICS are flexible and can be adapted to reflect a national context, but without compromising cross-country comparability. MICS offers the potential to obtain data on a broader list of child – focused indicators which can be used for the measurement of multidimensional child poverty.

- Statistical data is an important source for evidence based decision making by policy makers not only at national, but also at regional and international level. Therefore it is important to make statistical data openly available for all users. Hence, countries should make all poverty related data publicly available and easily accessible, including micro-data, for scientific research purposes and production purposes. This would enhance research, policy design and policy innovation in this field, which is of outmost importance for devising policies for poverty reduction.

Poverty measurement is a dynamic process that requires constant revision of indicators and methodology. By following these recommendations countries in the region will be more able to understand and respond to the needs of the most vulnerable and develop sound policies and programmes to benefit not only children and their families but also the communities and societies in which they live. In relation to the first SDG goal of ending poverty in all its forms everywhere, children, as the group with the highest incidence of poverty, need to come first. Only by tackling child poverty can the global goal be achieved and children's rights be realised.

Introduction

Child poverty is one of the most pressing concerns in today's world and a recognised impediment to sustainable economic and social development. In almost every country in the world children are more likely to be living in poverty than adults [3]. Conditions in which children live directly affect their mental and physical development and their future capabilities in adult life. Their particular life stage and dependence on adults makes them more vulnerable to the effects of poverty with potential lifelong consequences for children's physical, cognitive and social development.

There is plenty of evidence that proves a close association between child poverty and a long list of individual and social risks. Evidence from studies that looked at the effect of lack of money (as distinct from parental education, attitudes or behaviour) has shown that children in lower income families have worse cognitive, behavioural and health outcomes in part because they are poorer, not just because low income is correlated with other household and parental characteristics. Lack of financial resources, directly, and through corresponding effects on maternal mental health, parenting and home environment, results in lower cognitive development and school achievement, and problematic social-behavioural development. These effects are stronger when children experience long term poverty and these harmful consequences of child poverty persist in the long term not only for affected individuals, but for societies, economies and future generations[3].

Countries in the ECAR region are duty-bound to respect, protect, promote and fulfil children's rights by adhering to international human rights treaties. Under Article 26 of the Convention on the Rights of the Child (CRC), all children have a right to an adequate standard of living to promote their physical, mental, spiritual, moral and social development. Poverty and the risk of poverty also affects children's enjoyment of many of the rights enshrined in the CRC, in particular the rights to health, education and social protection.

The 2030 Agenda for Sustainable Development begins by stating that eradicating poverty is "the greatest global challenge and an indispensable requirement for sustainable development". This is translated into Goal 1: End Poverty in all its forms everywhere, and the requirement to measure child poverty has been included among the new targets and indicators to monitor progress in poverty eradication[4].

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[3] Kerris Cooper and Kitty Stewart, Does Money Affect Children's Outcomes: A Systematic Review, Joseph Rowntree Foundation, 2013

[4] A/RES/70/1 - Transforming our world: the 2030 Agenda for Sustainable Development. Available here.

Goal 1. End poverty in all its forms everywhere Global indicator framework for the Goals and targets of the 2030 Agenda for Sustainable Development	
Targets	*Indicators*
1.1 By 2030, eradicate extreme poverty for all people everywhere, currently measured as people living on less than $1.90 a day	1.1.1 Proportion of the population below the international poverty line, disaggregated by sex, age group, employment status and geographical location (urban/rural)
1.2 By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions	1.2.1 Proportion of the population living below the national poverty line, disaggregated by sex and age group 1.2.2 Proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

Source: United Nations Economic and Social Council (2015), Report of the Inter-Agency and Expert Group on Sustainable Development Goal Indicators. E/CN.3/2016/2. December 2015.

The SDG indicators provide for three different measurements of child poverty. Indicator 1.1.1. requires that poverty data related to international threshold of $1.90 (PPP) should be disaggregated by age to capture the proportion of children (0-17) living below the international poverty line. Indicator 1.2.1 requires age disaggregation of national poverty statistics to capture the proportion of children living below the national monetary poverty line, while indicator 1.2.2 requires a measure of the proportion of children living in multidimensional poverty, also defined nationally. In addition, all child level indicators used in the SDGs should be disaggregated by income quintiles, poverty and other aspects of inequality such as gender, and urban/rural disaggregation. Child poverty measurement is a prerequisite to designing effective policies necessary for the realisation of child rights and adhering to international legislation and standards.

This report on child poverty measurement and trends in the region looks at available data under the different measures of child poverty and addresses the question: How is ECAR placed to monitor and report on child poverty? It presents available national poverty data, in particular child poverty data, and current methodological approaches to poverty measurement in ECAR[4], and provides recommendations for how to improve data collection and measurement of child poverty in the region so as to be able to respond to national priorities and SDG monitoring and reporting needs.

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[4] Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kosovo (UNSCR 1244), Kyrgyzstan, the former Yugoslav Republic of Macedonia, Montenegro, Moldova, Romania, the Russian Federation, Serbia, Ukraine, Tajikistan, Turkey, Turkmenistan and Uzbekistan.

The paper is based on an extensive literature review of databases and documents on poverty in the region. Data was collected from datasets and reports published by national statistical offices country by country. For some indicators additional data was collected from national and international sources. An initial synthesis of information on definitions, methodologies, and data for each country was checked by UNICEF social protection or monitoring and evaluation officers from country offices in the region[5].

There are some important limitations stemming both from data availability and from the methodological challenges related to the comparison of poverty measurements. Poverty data is to some extent comparable across countries that adopted the Eurostat methodologies, and where other internationally comparable methodologies have been used[6]. For other countries in the region a multitude of methodological aspects should be considered when looking at poverty according to national definitions. To facilitate data presentation and comprehension, the analysis of national poverty measures in this paper is structured as follows: the twenty-two countries in the region were separated into two groups, Group One consisting of countries that collect and report data based on the EU-SILC Survey and Eurostat methodology, and Group Two comprising countries that collect and report data based on HBS or similar surveys.

The paper is structured as follows: Chapter 1 elaborates methodological approaches to poverty measurement for both groups of countries in the region, child poverty reporting practices and particularities, and countries measurement compliance with international standards and SDG requirements for monitoring progress. Chapter 2 gives an overview of the most recent monetary poverty indicators for the general population and for children for the two groups of countries in the region, linking this to SDG Target 1.2.1. Chapter 3 presents tools for the measurement of multi-dimensional poverty as applied in the region, linking this to SDG Target 1.2.2. Chapter 4 presents conclusions and recommendations for the improvement of child poverty data collection and measurement.

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[5] Data for Russia could not be checked as UNICEF does not currently have a country presence.
[6] Internationally comparable methodologies include World Bank Purchasing Power Parity lines, Multidimensional Poverty Index, and OECD poverty rate.

Chapter 1. Monetary Poverty in the ECA region – definitions and measurements

Poverty definitions and measurements

The ECA region comprises 22 countries[7], which differ significantly in their human and economic development. According the World Bank's[8] ranking of economies by the GNI per capita, the region comprises seven lower middle income countries (Armenia, Kosovo, Kyrgyzstan, Moldova, Ukraine, Uzbekistan, Tajikistan), fourteen upper-middle income countries (Albania, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Georgia, Kazakhstan, the former Yugoslav Republic of Macedonia (fYROM), Montenegro, Rumania, Russia, Serbia, Turkey and Turkmenistan) and Croatia as the only high income country[9]. These countries have varied development approaches which translate into very different approaches and capacities for poverty measurement, and diverse poverty outcomes. All the countries are influenced, albeit in different ways, by the three major economies in the region – Turkey, Russian Federation and the European Union bloc. Countries in the region have also responded differently to recent global and local economic shocks.

International Poverty Line

In order to provide a comparable picture of poverty across the world, the World Bank measures poverty in terms of consumption with the same purchasing power over commodities, or "purchasing power parity" (PPP)[10]. SDG indicator 1.1.1 refers to the proportion of the population living below the international extreme poverty line. The threshold for this poverty line has changed over time from the introduction of the $1/day poverty line in 1990 to $1.25 a day in 2009 and in 2015 to $1.90 a day[11]. The basis for the international poverty line has been the average of the purchasing power parity (PPP)-adjusted national poverty lines of a group of poor countries. The $1/day line was criticized for not capturing minimal subsistence requirements and underestimating poverty in many countries.

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[7] Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kosovo (UNSCR 1244), Kyrgyzstan, the former Yugoslav Republic of Macedonia, Montenegro, Moldova, Romania, the Russian Federation, Serbia, Ukraine, Tajikistan, Turkey, Turkmenistan and Uzbekistan.

[8] Since 1 July 2016, low-income economies are defined as those with a GNI per capita, calculated using the World Bank Atlas method, of $1,025 or less in 2015; lower middle-income economies are those with a GNI per capita between $1,026 and $4,035; upper middle-income economies are those with a GNI per capita between $4,036 and $12,475; high-income economies are those with a GNI per capita of $12,476 or more.

[9] For 2016 Russia and Georgia changed the ranking. Russia's ranking changed from high income country to upper middle income country and Georgia's ranking from lower middle income country to upper middle income country. More info available on: http://blogs.worldbank.org/opendata/new-country-classifications-2016

[10] Purchasing power parity means equalising the purchasing power of two currencies by taking into account differences in the cost of living and inflation. It is calculated with reference to a basket of goods, so that it equalises the real value of goods that can be bought at the poverty line between countries with different currencies

[11] Ferreira, F., et. al., A Global Count of the Extreme Poor in 2012: Data Issues, Methods, and Initial Results, World Bank Policy Research Paper 7432, October 2015

The latest revision, to $1.90, has also been controversial because the way in which it was calculated did not correspond directly to any basket of goods[12].

The relevance of the international extreme poverty line in the CEE/CIS region has been questioned, since incomes in the region have risen and consequently there are few people who are living in poverty according to this standard. The World Bank has also used higher thresholds (currently $3.10 PPP) for wealthier countries. One of the reasons for using multiple poverty lines is to test the robustness of global poverty comparisons[13]. In 2017 the Bank reviewed the methods for measurement of poverty and from 2017 plans also to monitor "income class" poverty lines, allowing for comparison among countries of the same income class, i.e. low, lower middle, upper middle and high income[14].

Indicator 1.1.1. also requires that poverty data related to international threshold of $1.90 (PPP) should be disaggregated by age, sex, age group, employment status and geographical location (urban/rural). This implies disaggregating all poverty data for child age (0 – 17) and different child age groups, and also differentiating it by gender, geographic location and employment status of parents and household members.

For poverty estimates the World Bank uses national Household Budget Survey (HBS) or similar survey data. The international poverty line at PPP is converted to local currency, adjusted for the year of the survey, and applied to national survey data in order to calculate the poverty rate for a country. The level of poverty according to the international poverty line for any country cannot be directly compared with the national poverty rate, and may be higher or lower than the national rate derived using a country specific poverty line in local currency.

National Poverty Line

There are two main approaches to poverty definition and measurement used by groups of countries in the region[15]. In this report, the first group consists of countries that adhere to the EU definition and poverty measurement methodology. EU member states Bulgaria, Romania, and Croatia, as well as states aspiring to EU-membership such as Turkey, Serbia and fYROM have aligned their statistical standards with the EU statistical acquis. These countries collect data through EU-Survey on Income and Living Conditions (SILC), and produce poverty, income and living standards measures as defined by Eurostat[16].

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[12] Calculation of the international poverty line has been the subject of a high level commission, the Atkinson Commission, which recommended, among other things, that the international poverty line should no longer be stated in USD terms, but in national currencies; and that a number of additional measures should be introduced.
[13] http://iresearch.worldbank.org/PovcalNet/methodology.aspx
[14] World Bank, Monitoring Global poverty, Report of the Global Commission on Poverty Measurement, 2017
[15] A general discussion on various poverty definitions, concepts, and measurements is presented in Annex 1. This report utilises poverty-related concepts as they are explained in Annex 1.
[16] http://ec.europa.eu/eurostat/statistics-explained/index.php/EU_statistics_on_income_and_living_conditions_(EU-SILC)_methodology

The second group (Group Two) consists of countries that collect income, consumption and living conditions data through a Household Budget Survey (HBS) or another similar survey, and then apply either the poverty definition and measurement methodology of absolute poverty proposed by the World Bank or national measures of subsistence levels, and in some cases the EU approach to measuring relative poverty. Table 1 gives an overview of survey methodologies used by the different countries for measuring poverty.

Poverty analysis between Group One and Group Two countries is not comparable because it is based on different surveys for data collection, and the poverty analysis is conducted with a different methodology[17].   Furthermore, there are limitations to comparing poverty rates between countries within Group One and within Group Two, arising from country context. Several countries present both measures of poverty, and there are sometimes substantial differences between the two measures within the same country, due to the different methodologies used.

Table 1. Data sources for measuring poverty in region

Country	Group One: EU SILC	Group Two: Household Budget Surveys
Albania		√
Armenia		√
Azerbaijan		√
Belarus		√
Bosnia and Herzegovina		√
Bulgaria	√	√
Croatia	√	
Georgia		√
Kazakhstan		√
Kosovo (UNSCR 1244)		√
Kyrgyzstan		√
Moldova		√
Montenegro		√
fYROM	√	√
Romania	√	√
Russian Federation		√
Serbia	√	√

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[17] Group One countries, for example, estimate poverty based on <u>income</u> from a variety of sources (employment, self-employment, property income and rent, and social transfers, adjusted to take account of taxes and social contributions); while Group Two countries estimate poverty on the basis of reported consumption of a long list of goods and services.

Tajikistan		√
Turkey	√	√
Turkmenistan		√
Ukraine		√
Uzbekistan		√

Source: official web pages of national statistical offices

Group one: EU at-risk-of poverty measurements

In 2000, the EU adopted the Open Method of Coordination (OMC) as an intergovernmental coordination method and instrument for coordinating national social policies with common EU objectives. This initiative implies methodological harmonisation of poverty definitions and measurements. Within the OMC frame, EU countries agreed on 18 common statistical indicators for social inclusion, also known as the Laeken indicators. The Laeken indicators allow for comparative monitoring of Member States' progress towards agreed EU objectives. They cover four important dimensions of social inclusion (financial poverty, employment, health and education), intended to highlight the "multidimensionality" of the phenomenon of social exclusion (European Commission, 2003).

The Laeken indicators are based on the concept of *relative poverty* that takes into consideration: the disposable household income, the household size and income distribution within the population. The main indicator is called the *at-risk-of-poverty rate*, which represents a percentage of population below the at-risk-of-poverty threshold, which is set at 60% of median income in each country. Therefore -at-risk-of-poverty threshold is a relative poverty line that depends on the level and income distribution of the country, rather than an absolute level of income. It does not link to the achievement of an absolute standard of minimum needs.

> EU members and countries aspiring to EU membership use the at-risk-of–poverty threshold defined as 60% of the middle value (median) of disposable household income, to measure poverty.

The importance of this threshold is that it shows how the poorest members of society are doing in relation to others. Living below this relative poverty threshold in countries of high income and low inequality does not necessarily imply a low standard of living. Relative poverty means 'relative to one's own particular society', and living on an income below 60% of the median is a measure of the sense of falling so far behind the norms of one's society as to be at risk of social exclusion.

From a child's perspective, living in relative poverty means not having the same opportunities as their peers, which can have an impact on children's emotional and moral development as well as their capacities. Living in relative poverty impacts children's opportunities — and this

may be particularly relevant in richer countries. Even when not clearly deprived in absolute terms, having much poorer opportunities in education, health or nutrition compared to their peers limits children's future life chances, disproportionally affecting vulnerable and excluded groups. Children define their perceptions of themselves and their aspirations by how they see themselves relative to others, which shape their actions and decisions with major impacts on their capacities, self-esteem and life opportunities (Global Coalition to End Child Poverty (2015) In general, when comparing relative child poverty rates in different countries, a poverty line drawn at a percentage of median income only works well if the countries being compared have broadly similar levels of income and living costs.

Table 2. EU poverty and exclusion indicators (Laeken)

Indicator	Definition
People at risk of poverty or social exclusion (AROPE)	The indicator refers to persons who are at the risk of poverty, or severely deprived, or living in a household with a low work intensity.
The persistent at-risk-of-poverty rate	The indicator shows the percentage of the population living in households where the equivalised disposable income was below the at-risk-of-poverty threshold for the current year and at least two out of the preceding three years[18].
The severe material deprivation rate	The percentage of persons who live in households that cannot afford at least four of nine deprivation items[19].
People living in households with very low work intensity	The indicator refers to persons (aged 0 – 59) living in households with a work intensity lower than 0.2[20].
Standard at-risk-of-poverty rate and the at -risk-of-poverty rate before social transfers	The indicator measures the impact of the social transfers on at-risk-of-poverty rate.
The at-risk-of-poverty rate by age and sex	At-risk-of poverty by age cohort.
The at-risk-of-poverty rate by household type	For households without dependent children and with dependent children.
Material deprivation	The indicator shows the material conditions affecting the quality of life of the households.
The relative at-risk-of-poverty gap	The difference between the at-risk-of-poverty threshold and the equivalised income median of persons below the at-risk-of-poverty threshold.

Source: Eurostat

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[18] Some countries obtain this information via a panel survey component, while others collect data on respondents from a combination of survey and administrative data, http://ec.europa.eu/eurostat/statistics-explained/index.php/EU_statistics_on_income_and_living_conditions_(EU-SILC)_methodology_%E2%80%93_data_collection

[19] The deprivation items: (1) being in arrears with mortgage or rent payments, utility bills, hire purchase installments or other loan payments; (2) inability to afford paying for one week annual holiday away from home; (3) inability to afford a meal with meat, chicken, fish or vegetarian equivalent every second day; (4) inability to face unexpected financial expenses; (5) inability to afford a telephone; (6) inability to afford a colour TV; (7) inability to afford a washing machine; (8) inability to afford a car; (9) inability of the household to pay for keeping its home adequately warm during the coldest months.

[20] The work intensity of a household is the ratio of the total number of months that all working-age household members have worked during the income reference year and the total number of months the same household members theoretically could have worked in the same period. A working-age person is a person aged 18 – 59 years, with the exclusion of students in the 18 – 24 age group. The work intensity is defined as: very low (0 – 0.2), low (0.2 – 0.45), medium (0.45 – 0.55), high (0.55 – 0.85) and very high (0.85 – 1). Very low work intensity refers to the situation of persons living in households where nobody works (or work very little), meaning that working-age household members work 20% or even less than the total number of months they could have worked in a referent period.

There are several other significant methodological issues when it comes to assessing child poverty through this method. The poverty indicators are calculated on household basis using the *modified OECD equivalence scale* to rank households taking into account household size and composition. This scale assigns a weight of 0.5 to a child over 14 years, and 0.3 to a child below 14 years, which some argue does not give sufficient weight to cost of raising children and as consequence underestimates their at risk of poverty rate. Income may not always be a reliable proxy for the real resources available to the child (UNICEF 2012) for a number of reasons, some of which may be particularly significant in ECAR. Some important issues include: the concern that income data based on surveys is usually unreliable and open to underreporting, particularly where there is a high level of informality in the labour market; the way in which housing and debt servicing costs are treated, for example whether households own their own homes, pay rent or service mortgages; how "benefits in kind" are treated, for example healthcare provided free at the point of use; and whether remittances or informal transfers are recognised or not[21]. Other factors such as the family's ability to manage income, intra household distribution defined by family power relations, the needs and habits of adults, as well as social norms and expectations, make a difference to the extent to which family resources reach children. Hence, income is, at best, an indirect measure, leaving open the possibility that children may be deprived in households that are not income-poor and not deprived in households that are income-poor.

Data for the Laeken indicators is collected through the SILC on an annual basis. Eurostat calculates poverty indicators based on SILC data carried out in all member states. Data is collected using the CAPI method, through an electronic questionnaire. However, Eurostat poverty data for non-member states is not available for all years, which indicates that SILC in those countries is not conducted annually or if done it is not made available.

Table 3 sets out each country's experience of collecting SILC data and calculating Laeken indicators. The only three countries from ECAR that have comparable indicators since 2010 are Bulgaria, Croatia and Romania. EU-SILC data for Turkey is not available for the last two years.

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[21] There are many issues to be considered in how the "net disposable income" is defined. See UNECE, Canberra Group Handbook on Household Income Statistics, Second Edition, 2011.

Table 3. Availability of EU-SILC Laeken indicators

EU Laeken	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Bulgaria	■	■	■	■	■	■	■	■	■	■
Turkey	■	■	■	■	■	■	■	■		
Romania	■	■	■	■	■	■	■	■	■	■
Croatia						■	■	■	■	■
FYRoM						Trial period				
Serbia								■	■	■

Source: EUROSTAT

Many Group One countries still do parallel measurements, collecting data through HBS and estimating poverty based on absolute poverty methodology. HBS are collected in all EU member states and used primarily for calculating the Consumer Price Index. However, Bulgaria and Romania also publish poverty data using the World Bank's absolute poverty methodology based on HBS. The fYROM and Serbia adjusted their HBS to EU SILC.   The HBS has been carried out in Serbia since 2003, designed according to international standards and later on improved with recommendations of Eurostat (SERBSTAT[22] 2015). Until 2010, poverty in Serbia was monitored in accordance with the absolute poverty concept. Serbia carried out its first SILC in 2013, when relative poverty measurement started.   While comparing data from the two surveys is not possible due to the different methodologies, we can provide an indication of the difference between the poverty measures calculated. Using the HBS in 2010, the Statistical Office of Serbia estimates that 9.2 percent of population live below an absolute national poverty (SERBSTAT 2011). At the same time, the percentage of at-risk-of poverty population for 2013 was 24.5 per cent according to the EU SILC database. These numbers cannot be directly compared due to the difference in the poverty threshold. Turkey calculates poverty based on three methodologies: "Eurostat methodology, WB methodology for both income and expenditures based on HBS since 2002 and SILC since 2006" (Source TURKSTAT)[23]. However, EUROSTAT poverty data for Turkey is available only from 2006 to 2013[24].

As countries transition to SILC and the Eurostat methodology there are also issues to be taken into account. For example, Albania is currently transitioning from its LSMS to SILC based reporting with the first report to be published by end of 2017. Albania is working to mitigate the differences between the two surveys in the thematic and geographic coverage, level of representation, non-response rate and periodicity, and INSTAT and World Bank have started to explore the possibility of estimating poverty (absolute) rates using the annual HBS which has been conducted continuously from 2014. This would ensure consistency in producing poverty - consumption based data, and fulfil the need for longer data series, potentially

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[22] http://webrzs.stat.gov.rs/WebSite/repository/documents/00/00/32/06/LP20-eng.pdf
[23] http://www.turkstat.gov.tr/PreTablo.do?alt_id=1013
[24] http://ec.europa.eu/eurostat/tgm/table.do?tab=table&plugin=1&language=en&pcode=tespm040 (accessed on 18th December 2016)

helping the continuity of monitoring and evaluating national policies that were planned and implemented based on the absolute poverty line of LSMS.

On the basis of superior data access and comparability, this report will consider poverty outcomes for Group One countries based on data provided by the Eurostat database.

Group Two: National poverty measurements based on Household Budget Surveys

All of the countries in this group collect data through household surveys designed on the same principles, even though the names of the surveys may vary. Some countries (Moldova, Ukraine, Belarus, Armenia) have a relatively rich experience of working with the surveys, while in others, HBS has been introduced recently (Uzbekistan, Turkmenistan, Tajikistan[25]). However, some of the countries do not conduct household surveys related to income, consumption and living conditions on a regular basis (Albania, Kosovo, Turkmenistan and Bosnia and Herzegovina).

Most of the countries in ECAR, as most countries in the world, use the Cost of Basic Needs Approach, which is also the core of the World Bank methodology for poverty measurement. The World Bank defines poverty as a lack of essentials for material wellbeing: food, housing, land and other assets (World Bank, 2014). This definition is simple and provides a clear insight as to how to measure poverty. The poor are those that have insufficient income or consumption to put them above some adequate minimum threshold (the poverty line). Each country defines its own poverty line, based on a defined minimum to be consumed, plus non-food consumption.

Table 4 provides a short overview of poverty definitions, methodological approach and data collection methods for each Group Two country. Almost all of the countries construct their poverty lines based on the "cost of basic needs" approach that takes into consideration and estimates: (1) costs of acquiring food for adequate nutrition and (2) the cost of other essentials. One exception is Uzbekistan: based on available information, it seems that only the food component is considered. The absolute poverty line is expressed as the cost of basic needs for a single person household.

For most countries it is not clear what equivalence scales are used when estimating absolute rates[26]. However, Moldova and Montenegro clearly state that the OECD modified equivalence stales are used for measuring household poverty, while in BiH no equivalence scale is applied for absolute poverty measurements.

All Group Two countries assess poverty using consumption measures, rather than income, since information on consumption is generally easier to collect and gives a better indication of living standards than income[27]. Some countries (like BiH and Georgia) that use EU relative

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[25] Data on Tajikistan are available based only on Tajikistan Living Standard Survey.

[26] Equivalence scales are explained in Annex 1

[27] See, for example, World Bank (2015), "A Measured Approach to Ending Poverty and Boosting Shared Prosperity: Concepts, Data and the Twin Goals", Policy Research Report, p.6, Box O.3

poverty approach to measuring poverty apply this methodology to consumption data. In addition, some countries like Belarus and Ukraine also make estimations based on income aggregates. Ukraine's poverty threshold is set at 75 per cent of the median per capita income.

To establish the poverty threshold, countries establish the level of expenditure required to meet a certain minimum standard of living. For example, in Azerbaijan, each year, the amount of the **subsistence minimum** is established by law for key social-demographic groups of the population. The subsistence minimum is based on a consumption basket, of which 70% goes to a food basket guaranteeing a daily calorie intake of 2,420 kilocalories[28]. In Belarus, Kazakhstan[29] and Russia the poverty line is set at 100 per cent of the subsistence level adjusted to regional discrepancies.   Although the basic methods are the same, the basis for estimations vary from country to country. Adequate nutrition is measured in calories, and the threshold of calories per person per day is different for each country (2288 in Albania, 2300 in Georgia, 2400 in Belarus, 2282 in Moldova, and 2288 in Montenegro, 2250 in Tajikistan, 2100 in Kyrgyzstan, 2420 in Azerbaijan and 2100 in Uzbekistan). The non-food components included also differ from country to country.

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[28] ADB (2014), "Poverty Analysis (Summary). Country Partnership Strategy: Azerbaijan, 2014-2018, page 1. (https://www.adb.org/sites/default/files/linked-documents/cps-aze-2014-2018-pa.pdf)

[29] Kazakhstan will introduce a new poverty measurement methodology in 2020.

Table 4 Methodological approach to poverty measurement of Group Two countries in the ECA region

	Country	Poverty definition	Poverty indicators	Data collection
1.	Albania	Cost of basic needs approach	Poverty line absolute: value of food and non-food goods basket Poverty line relative: food and non-food components adjusted to the average consumption Extreme poverty line =food poverty = 2288 calories (2003) Estimation: consumption Equivalence scale: OECD Methodological particularities: No	Living Standard Measurement Surveys done ONLY in 2002, 2005, 2008 and 2012.
2.	Armenia	Inability to provide an acceptable minimum of certain living conditions.	Poverty line absolute: value of minimum food and non-food goods basket Poverty line relative: 60% of average income Extreme poverty line =food line Estimation: consumption Equivalence scale: OECD Methodological particularities: No	Estimation of the poverty rate in Armenia is on the basis of the Integrated Living Conditions Survey (ILCS). The ILCS was first conducted in Armenia in 1996 and it has been conducted every year since 2001. The surveys are carried out during the year with monthly changes (rotation) of households and communities.
3.	Azerbaijan	Cost of basic needs approach	Poverty line absolute: value of food and non-food (30%) goods basket Poverty line relative: food and non-food components adjusted to the changes in price (70% of median consumption) Extreme poverty line =food poverty Estimation: consumption Equivalence scale: OECD Methodological particularities: No	In 2001 Azerbaijan introduced a new methodology for conducting Household Budget Surveys which since then has been the main source for measuring poverty in the country. Sample survey of households budget is carried out to get an economic-statistical information on living-standards of different strata and groups of population
4.	Belarus	Minimum consumption. Belarus calculates the distribution of population by	Poverty line absolute: defined as minimal consumer budget that represents value of food and non-food goods basket Poverty line relative: food and non-food components adjusted to the average consumption	Household Living Standard Survey conducted on a yearly basis, complying with international standards. Minimum consumer budgets for different socio-demographic groups are calculated on average

		the level of material wellbeing.	Extreme poverty line: Minimal subsistence level Estimation: consumption Equivalence scale: Methodological particularities: Yes, share of threshold to minimum subsistence level	per capita and per individual member for families of different composition and approved on a quarterly basis by the Ministry of Labour and Social Protection of the Republic of Belarus at prices of the last month of each quarter.
5.	Bosnia and Herzegovina	Absolute poverty line Relative poverty line (60% of median consumption) and risk of deprivation	Absolute poverty line: value of basic food and non-food goods basket Relative poverty line: 60% of median equivalized consumption Extreme poverty line: n/a Estimation: consumption Equivalence scale: Modified OECD Methodological particularities: No	The first HBS was conducted in 2004, which was followed in 2011 and 2015 with Extended Household Budget Survey. LSMS was conducted in 2004 and 2001. Together with the Labour Force Survey (LFS), which started in 2006 and is presently carried out annually, these two surveys provide the Statistical System of BiH with reliable and comparable information on households.
6.	Georgia	Relative poverty line from 2005 Absolute poverty Registered poverty	Relative poverty line (60% of median consumption) Absolute poverty line estimated as subsistence minimum (70% food, 30% non-food) Registered poverty (share of people on subsistence allowance)	Instrument: For relative poverty estimate - Integrated Household Survey (IHS) and Census data for 2014 and 2015. Welfare Monitoring Surveys used for estimates in 2009, 2011, 2013, 2015. Administrative data is used for Registered poverty.
7.	Kazakhstan	Cost of basic needs approach	Poverty line absolute: value of food and non-food goods basket (at 40% of subsistence minimum, adjusted for each region (60% food and 40% non-food)) Poverty line relative: food and non-food components adjusted to the average consumption Extreme poverty line =food poverty Estimation: consumption Equivalence scale: OECD Methodological particularities: A new measure of poverty will be introduced by 2020	Committee for Statistics under the Ministry of National Economy conducts a quarterly household budget survey (sample of 12,000 households).
8.	Kosovo (UNSCR 1244)	Cost of basic needs approach	Poverty line absolute: value of food and non-food goods basket measured per day	Kosovo (UNSCR 1244) Agency of Statistics (KAS), in particular the Department of Social Statistics (DSS) has been carrying out the Household Budget Survey (HBS), since 2002. The latest HBS was

			Poverty line relative: food and non-food components adjusted to the average consumption **Extreme poverty line** =food poverty Estimation: consumption Equivalence scale: OECD Methodological particularities: Yes, poverty thresholds are set on daily basis (compared with monthly for other countries).	carried out in 2015. The last consumption poverty report was published in April 2017, with data from 2012, 2013, 2014 and 2015. Data is collected from 2400 households in a year, selected by random method and in accordance with the European Union (EU) standards and international best practices.
9.	Kyrgyzstan	Cost of basic needs approach	**Poverty line absolute:** value of food and non-food goods basket **Poverty line relative:** food and non-food components adjusted to the average consumption **Extreme poverty line** =food poverty= calories 2100 per day Estimation: consumption Equivalence scale: OECD Methodological particularities: No	The Kyrgyz Integrated Household Survey (KIHS) was introduced in Kirgizstan in 2003. In line with the Household Budget Survey, the KIHS is designed to measure consumption-based poverty in the country and to analyze the socio-economic dimensions of people's living standards
10.	Moldova	Cost of basic needs approach	**Poverty line absolute:** value of food and non-food goods basket **Poverty line relative:** food and non-food components adjusted to the average consumption **Extreme poverty line** =food poverty=2282 kcal (per day per person) Estimation: consumption Equivalence scale: OECD modified scale **Methodological particularities:** Transnistrian region is not included in the survey	The National Bureau of Statistics (NBS) calculates poverty based on the Household Budget Survey (HBS). The current poverty measurement was developed in 2006 with technical assistance from international experts and in line with international standards. However, the methodology has not been revised since, which might cause non-convergence of data with current economic realities as evidenced by extremely low values of official rates of poverty. Hence, a revision was initiated in 2016.
11.	Montenegro	Cost of basic needs approach	**Poverty line absolute:** value of food and non-food goods basket **Poverty line relative:** food and non-food components adjusted to the average consumption **Extreme poverty line** =food poverty= 2288 kcal daily per person	Statistical Office of Montenegro (MONSTAT) based on Household Budget Survey (HBS). HBS is nationally representative survey carried out regularly by MONSTAT from 2005 to 2013 and harmonized with international standards and EUROSTAT recommendations.

			Estimation: consumption Equivalence scale: OECD Methodological particularities no:	
12.	Russia	Cost of basic needs approach	Poverty line absolute: value of food and non-food goods basket (the subsistence basket) adjusted for 85 regions. Poverty line relative: food and non-food components adjusted to the average consumption Extreme poverty line =food poverty=minimum intake Estimation: consumption Equivalence scale: OECD Methodological particularities: share of threshold relative to substance minimum, regional adjustment	Poverty indicators in the Russian Federation are calculated by the Federal State Statistics Service.
13.	Tajikistan	Cost of basic needs approach will be introduced soon[30].	Poverty line absolute: value of food and non-food goods basket Poverty line relative: food and non-food components adjusted to the average consumption Extreme poverty line =food poverty)= 2,250 kcal (per day per person) Estimation: consumption Equivalence scale: OECD Methodological particularities: No.	Poverty estimates for 1999, 2003, 2007 and 2009 are based on Living Standards Surveys (LSS) and data for 2012-2014 on Tajikistan's Household Budget Survey (HBS). Thus, due to different design and implementation protocols, the earlier (TLSS) and most recent (HBS) data are not strictly comparable. The last report on child poverty funded by UNICEF dates back to 2007 and uses data from TLSS 2003 and MICS 2005. The methodology of poverty measurement using HBS is still being revised and piloted by the Agency on Statistics with support from the WB.
14.	Turkmenistan	Cost of basic needs approach	Poverty line absolute: value of food and non-food goods basket Poverty line relative: food and non-food components adjusted to the average consumption Extreme poverty line =food poverty Estimation: consumption Equivalence scale: OECD Methodological particularities:	The Turkmen State statistical committee carried out the Turkmenistan Living Standards Survey in 2011. The sample size was 1850 households from 77 regions in the country. Data from the survey is not available. NB: Information is from secondary sources. Turkmenstat did not provide information.

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[30] Information provided by UNICEF CO Tajikistan

15.	Ukraine	Cost of basic needs approach	Poverty line absolute: value of food (60%) and non-food goods basket Poverty line relative: food and non-food components adjusted to the average consumption (at 75% of the median per capita income) Extreme poverty line =food poverty)=2100 kcal (per day per person) Estimation: consumption Equivalence scale: OECD Methodological particularities: poverty line threshold	Conducted since 1999, the HBS examines, quarterly, nearly 10,500 non-institutional households. The HBS is based on international standards. The entire rotation of the sample among the households is applied annually. The territorial sample is applied for 5 years and is arranged in a probabilistic, stratified, multistage manner, with the use of territorial unit selection with probability proportional to size.
16.	Uzbekistan	Poverty is defined as lack own resources (material and monetary) to ensure national minimal consumption standards.	Poverty line absolute: value of food and non-food goods basket (adjusted per region). Poverty line relative: food and non-food components adjusted to the average consumption Extreme poverty line =food poverty=2100 kcal (per day per person) Estimation: consumption Equivalence scale: OECD Methodological particularities: No	In order to assess living standards and poverty, the State Committee of Statistics of the Republic of Uzbekistan has regularly undertaken household budget surveys (HBS) since 2000.

Data source: Albania – InStat Albania (http://www.instat.gov.al/en/themes/living-standard.aspx); Armenia - ArmStat (http://www.armstat.am/file/Qualitydec/eng/11.2.pdf); Social snapshot and poverty in Armenia, 2016 http://www.armstat.am/en/?nid=82&id=1819; Azerbaijan –AzStat (http://www.stat.gov.az/source/budget_households/); Bosnia and Herzegovina – Bosnia and Herzegovina Agency for Statistics (http://www.bhas.ba/index.php?lang=en); Belarus – BelStat (http://www.belstat.gov.by/en/ofitsialnaya-statistika/otrasli-statistiki/naselenie/uroven-zhizni-naseleniya/operativnaya-informatsiya_7/changes-in-the-standard-of-living-of-households-in-the-republic-of-belarus-in-january-september-2014/); Kazakhstan – MofE, Statistical Agency (http://www.stat.gov.kz); Kosovo (UNSCR 1244) – National Statistical Agency (https://ask.rks-gov.net/eng/); Kyrgyzstan, data on poverty /methodology is not published on the official statistical site, secondary date were used ((UNICEF, 2009). Moldova – National Bureau of Statistics (www.statistica.md); Montenegro – Monstat (http://www.monstat.org/eng/index.php); Russia – Russian official statistics do not provide figures on poverty (the variable is population below subsistence minimum, some methodological aspects on Federal State Statistics Service (http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/en/figures/living/); Turkmenistan – secondary data (Garabayeva, 2012); Ukraine – Ukrstat (http://www.ukrstat.gov.ua/); Uzbekistan.

Approaches to Child poverty measurement and availability of child poverty measures

Child poverty is most often measured by considering the child as part of the household and assuming that the child shares all of the household's characteristics. Thus a simple starting point for measuring child poverty is to disaggregate the household poverty measure according to the presence and number of children in each household, to identify the proportion of children who live in households that are below the poverty threshold.

Measuring poverty by assessing the consumption level of the entire household has some critical limitations, since it does not give any indication of intra-household consumption distribution. As a result of their limited access to income, households under extreme poverty face difficult intra-household choices, which may impact on children. This can take the form of insufficient food intake for children, restricted access to education, or child labour. Analysis of intra-household distribution and poverty might be very relevant for some countries in the region where studies hint at child or gender biased intra-household distribution of consumption or child labour.

Definition of child poverty:

Children living in poverty are those who experience deprivation of the material, spiritual, and emotional resources needed to survive, develop and thrive, leaving them unable to enjoy their rights, achieve their full potential or participate as full and equal members of society (UNICEF, 2005).

Group One countries use the EU definition of child poverty, which follows from the commonly agreed definition of *at-risk-of-poverty*. In the EU a *child is considered at-risk-of-poverty* if the child's family income falls below the poverty risk threshold set at 60% of the national median equivalised household income. Measurements of child poverty consider the total household income (including earnings of all household members, social transfers received by individual household members or the household as a whole, etc.). Eurostat has publicly available data for any age cohort and child poverty can be monitored for any age group within the 0 to 17 age cohort.

None of the countries in Group Two uses a specific definition for child poverty in national reports and statistics. Furthermore, national poverty reports rarely present disaggregated data on child poverty, even though many countries in the region more or less regularly conduct surveys on income, consumption and living conditions and have the necessary statistical data to measure relative and absolute child poverty, child deprivation, and in some cases subjective child poverty. Where child poverty is measured the same methodological approaches as for the general population is applied. Poverty thresholds are the same, however the use of an equivalence scale means that it is assumed that a child consumes less than an adult. A child is considered poor if he or she lives in a poor household.

The most common disaggregation among Group Two countries is by the household type: households with children versus households without children; households by number of children; single parent

households, or households with children and caregivers (this figure is especially important for countries with high migration rate and children left behind).

Table 5[31] presents available data on child poverty reporting practices and measurements disaggregated by two dimensions (geographic area and gender as required by SDG indicators) as well brief analysis of the potential to present data aligned with international requirements, for the countries in Group Two. The information in the table refers only to what is presented in the regular national reports on poverty monitoring published by statistical offices in each country. In some countries (for example Armenia, Moldova, and Turkey), UNICEF has supported national authorities to add chapters on child poverty to country national reports on poverty. Unfortunately, in some cases this proved unsustainable. Available child poverty analysis reports done by individual researchers that were supported by donors is not part of regular national reporting and is therefore not included.

Only two Group Two countries present child poverty figure on regular basis (Armenia and Montenegro). Armenia and Kosovo (UNSCR 1244) are the only countries that disaggregate child poverty figures by geographical area and gender.   Furthermore, countries in Group Two apply different age definitions of a child when measuring child poverty (0-15, 0-16, 0-17 or 0-18). This inconsistency makes cross-country comparison even more difficult[32].

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[31] The findings should be interpreted with care since they refer only to regular poverty reports published by National Statistical Offices, it might happened that the regular poverty report is published by another state institution.
[32] The age cohort from 0-15 is currently the only common measure, and is reported by National Statistics Offices through the TransMonEE database http://www.transmonee.org/.

Table 5. Reporting on child poverty – dissemination and disaggregation in the regular national reports

	Country	National Poverty Report	Child poverty indicators presented in the national reports		Child poverty disaggregation by:		Comments
			Households with children	Child poverty	Geographic area Rural/Urban	Gender Male/Female	
1.	Albania	Living Standard Measurement Survey	NO	NO	NO	NO	Albania is in the process of introducing regular data collection
2.	Armenia	Social Snapshot and Poverty in Armenia statistical analytical Report.	YES	YES Poverty by age cohorts	YES Urban/rural and by regions	NO	There is sufficient input data to calculate and present child poverty indicators.
3.	Azerbaijan	MDGs indicators in Republic of Azerbaijan	NO	NO	NO	NO	There is sufficient input data to calculate and present child poverty indicators. There is no poverty report to present poverty trends on yearly basis.
4.	Belarus	Household Living Standards Survey Republic of Belarus Annual Report	YES Distribution of households by average per capita disposable income, (hh[33]. with one child; hh. with 2 and more children)	NO	NO	NO	The information on poverty is presented in the national reports as households' distribution by wellbeing. No actual poverty indicators are present in the national poverty reports.
5.	Bosnia and Herzegovina	Household Budget Survey in Bosnia and Herzegovina last conducted in 2011.	YES Poverty by type of household including with children	NO	NO	NO	There is sufficient input data to calculate and present child poverty and deprivation indicators.

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[33]hh in the table refers to household

6.	Georgia	Household surveys or Census data	Yes Poverty by type of household including with children	NO	NO	NO	There is sufficient input data to calculate and present child poverty indicators.
7.	Kazakhstan	Living Standards Yearly Publication	YES Poverty by type of household including with children	NO	NO	NO	There is sufficient input data to calculate and present child poverty indicators.
8.	Kosovo (UNSCR 1244)	Consumption poverty in Republic of Kosovo (UNSCR 1244) Annual Publication	YES Poverty by type of household including with children (including relative and extreme poverty)	YES Child poverty head count age 0-18	NO	NO	The Report for Kosovo (UNSCR 1244) is drafted with technical assistance of the WB, with financial support of UKAid.
9.	Kyrgyzstan	No yearly poverty reports available	NO	NO	NO	NO	There is sufficient input data to calculate and present poverty and child poverty indicators
10.	Moldova	Annual Poverty Report (done by Ministry of Economy)	YES Poverty by household type, including households with children	YES Child poverty rate has been published for years 2010-2014, head count, 0-17 years	YES	NO	There is sufficient input data to calculate and present child poverty indicators.

No.	Country	Report	Col1	Col2	Col3	Col4	Notes
11.	Montenegro	Poverty Analysis in Montenegro, Annual Report	YES number of children under 6 years in household	YES Head count, age less than 15	NO	NO	There is sufficient input data to calculate and present disaggregated child poverty indicators.
12.	Russia	No yearly poverty reports available	NO	NO	NO	NO	No HBS data available
13.	Tajikistan	No yearly poverty reports available	NO	NO	NO	NO	There is sufficient input data to calculate and present poverty and child poverty indicators. With changes in methodology there is an opportunity to include disaggregated child poverty indicators in the national reports.
14.	Turkmenistan	No yearly poverty reports available	NO	NO	NO	NO	No HBS data available
15.	Ukraine	Expenditures and resources of households in Ukraine	YES Poverty by household type, including households with children	NO	NO	NO	There is sufficient input data to calculate and present poverty and child poverty indicators
16.	Uzbekistan	No yearly poverty reports available	NO	NO	NO	NO	No HBS data available

Source: *Data source: Albania – InStat Albania (http://www.instat.gov.al/en/themes/living-standard.aspx); Armenia - ArmStat (http://www.armstat.am/file/Qualitydec/eng/11.2.pdf); Azerbaijan –AzStat (http://www.stat.gov.az/source/budget_households/) ; Bosnia and Herzegovina – Bosnia and Herzegovina Agency for Statistics (http://www.bhas.ba/index.php?lang=en); Belarus – BelStat (http://www.belstat.gov.by/en/ofitsialnaya-statistika/otrasli-statistiki/naselenie/uroven-zhizni-naseleniya/operativnaya-informatsiya_7/changes-in-the-standard-of-living-of-households-in-the-republic-of-belarus-in-january-september-2014/); Kazakhstan – MofE, Statistical Agency (http://www.stat.gov.kz); Kosovo (UNSCR 1244) – National Statistical Agency (https://ask.rks-gov.net/eng/); Kyrgyzstan, data on poverty /methodology is not published on the official statistical site, secondary date were used (* (UNICEF, 2009)*. Moldova – National Bureau of Statistics*

(www.statistica.md); Montenegro – Monstat (http://www.monstat.org/eng/index.php); Russia – Russian official statistics do not provide figures on poverty (the variable is population below subsistence minimum, some methodological aspects on Federal State Statistics Service (http://www.gks.ru/wps/wcm/connect/rosstat_main/rosstat/en/figures/living/); Turkmenistan – secondary data (Garabayeva, 2012); Ukraine – Ukstat (http://www.ukrstat.gov.ua/); Uzbekistan.

Chapter 2. Monetary Poverty Rates and Trends in the ECA region

Analysing comparative poverty rates and trends in the ECA region is challenging. Countries in the region have followed different economic models, face different developmental challenges, and have varied poverty profiles. In Central and Eastern Europe and the Baltics, foreign direct investment (FDI) and export-led growth resulted in economic and social progress and significant poverty reduction since the start of the century. In parts of South East Europe such as Kosovo (UNSCR 1244), Albania and Bosnia and Herzegovina, growth strategies, whilst aspiring to be FDI and export-led, in reality have relied more on a combination of remittances and ODA. Resource-led growth can be observed in oil and energy producer countries including the Russian Federation, Kazakhstan, Uzbekistan, Turkmenistan, Azerbaijan and the oil reselling Belarus, where government policies play an important part for redistributing wealth and reducing poverty and inequality. Oil and gas dependent countries, including Moldova, Ukraine, Georgia and Armenia, Kyrgyzstan and Tajikistan, are heavily reliant on remittances received from migrant workers and on ODA (UNICEF, 2015).

This chapter presents poverty rates and trends, including child poverty measures, for countries employing the EU-SILC methodology and those using the HBS or similar surveys for measuring poverty, taking into consideration income and development disparities, as well as the different approaches to poverty measurement and data comparability issues as described in Chapter 1.

International poverty line

Based on the current international poverty line of $1.90 per day, data is available for eighteen of the countries in the region within the last five years, as calculated by the World Bank. Data is not available for Azerbaijan, fYROM, Turkmenistan or Uzbekistan. In the majority of countries the rate is very low, below 1%. Only Georgia and Tajikistan have substantial proportions of the population below this level. If the higher poverty line of $3.10 is used, the rate is still below 5% in most countries. However, Albania, Armenia and Kyrgyzstan also have greater proportions in poverty at this level. This clearly raises the question of the suitability of international poverty thresholds applied universally, even within the same region where countries share similar characteristics.

Figure 1. Proportion of population living below international poverty lines, selected countries
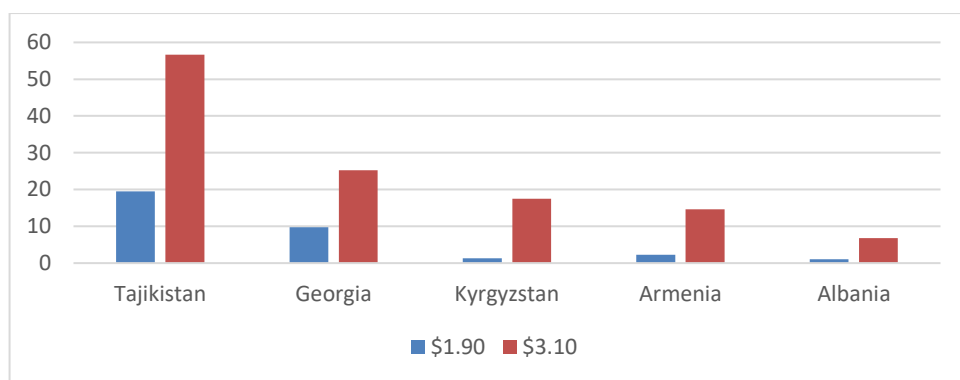
Source: World Bank Poverty and Equity Database, 10.5.2017. Dates are 2014 for all countries except Albania, 2012.

The World Bank does not currently measure and report the international child poverty rates at country level, although global estimates were produced in 2016, jointly with UNICEF[34].

Poverty in Group One countries: EU-SILC approach

Poverty - general population

In 2015, some 86.6 million people in the EU – 28 were at risk of poverty compared with 85.9 million in 2014. This estimate does not include non-EU countries in the region that use EUROSTAT methodology: Turkey, Serbia and fYROM. Available estimates for countries in the ECA region are presented in Table 6.

Table 6: People at risk of poverty in EU-28 and selected countries of the region (in thousands persons)

	2011	2012	2013	2014	2015
European Union (28 countries)	83,747	83,953	83,331	85,926	86,592
Bulgaria	1,672	1,559	1,528	1,578	1,586
Croatia	889	865	830	823	837
Romania	4,497	4,604	4,600	5,012	5,056
fYROM	552	540	500	457	445:
Serbia	:	:	1,750	1,807	1,797
Turkey	16,973	17,469	17,221	17,413:	:

Source: EUROSTAT, accessed 11.08.2017

The highest numbers of people at risk of poverty are in Turkey and Romania. Turkey's latest estimates, from 2013, indicated that more that 17 million are at risk of poverty. However, this is a lower proportion of the population than some of the other countries according to Figure 2.   All of the ECAR countries presented have higher at risk of poverty rates than the EU average of 17.3% of the population.

Figure 2. At-risk-of poverty rate for individuals (% of total population)

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[34] World Bank & UNICEF, 2016, "Ending Extreme Poverty: A Focus on Children".
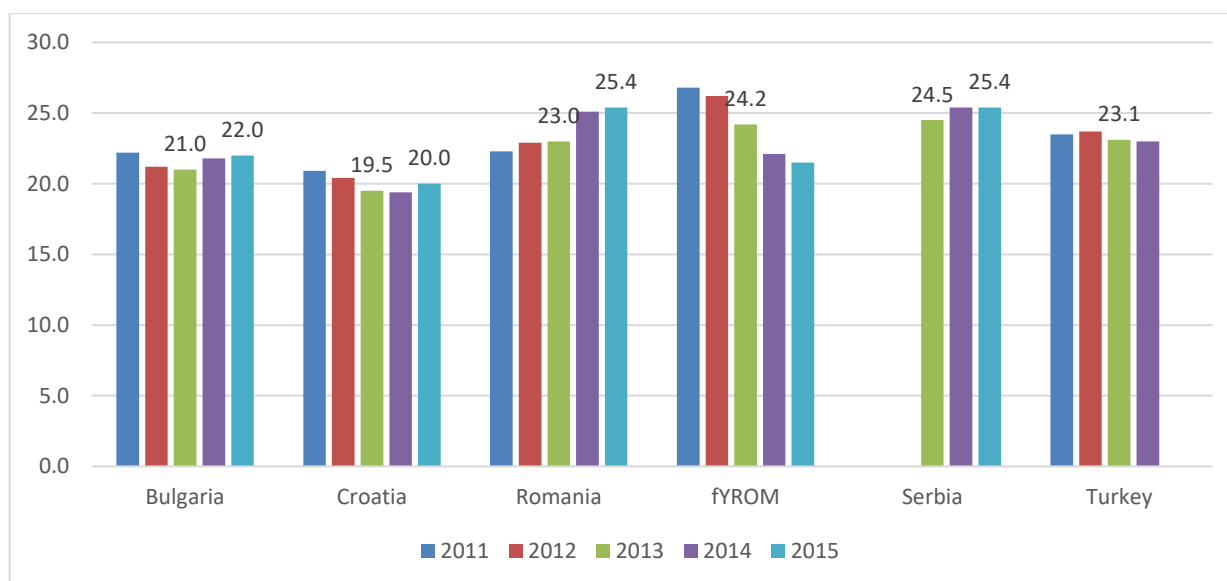
Source: Eurostat, accessed 11.08.2017.

The overall trend in the poverty rate in Group One countries has been relatively stable over the previous five years, although Romania has seen an increase from 22 to 25 percent, while fYROM has seen a decrease from 27 to 22 percent. However, since Group One countries use a relative measure of poverty, the rate of poverty depends on the performance of overall incomes as well as on the incomes of the less well off. Furthermore when comparing relative poverty rates different national poverty thresholds need to be taken into account. Different poverty thresholds are a consequence of the different levels of median income in these countries. Poverty thresholds are the highest in Croatia at over EUR 3,000 per year, while the fYROM has the lowest at just over EUR 1,000 per year. Given these significant differences in median income, at risk of poverty rates between these countries are not directly comparable.

Figure 3. At-risk-of-poverty thresholds (at 60% of annual median equivalised income) for single person household, in EUR
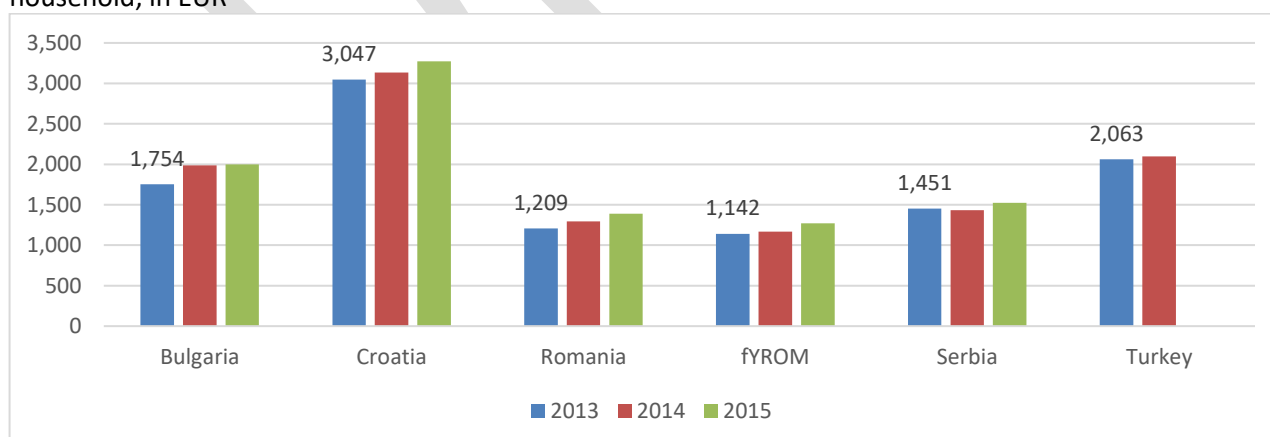
Source: Eurostat, accessed 11.08.2017

Child poverty

In almost every country in the world children are more likely to be living in poverty than adults (UNICEF 2015:1). This is also the case in most EU countries. However in seven EU countries children are less likely to live in income poverty than adults over 18[35]. In Denmark and Finland child income poverty rates are more than two percentage points lower than the general income poverty rate[36].

Child poverty is measured the same way Eurostat measures poverty for general population – hence, it is defined as the proportion of children living in households with an income lower than 60% of the median equivalised national income. Among Group One countries, child at-risk-of-poverty rates tend to be close to 30%, with the exception of Croatia where the rate is closer to 20%, and Romania with the highest child poverty rates at 38% for 2015.

Figure 4. At-risk-of-poverty rate for children age 0-17
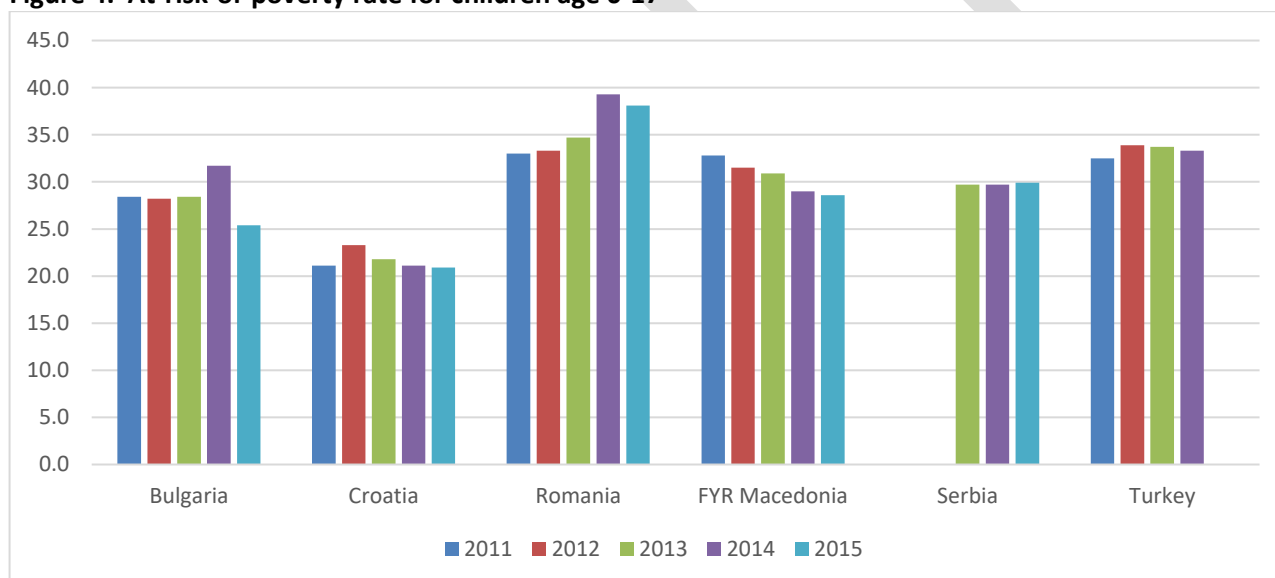
Source: Eurostat, accessed 11.08.2017.

Figure 5 compares child poverty with the general poverty rates of all individuals and shows child poverty is much higher. The biggest differences are in Romania and Turkey, where children are over 1.5 times more likely to be poor than adults. In Croatia the difference is very small, which may indicate the presence of social transfers towards children and other family-friendly policies. A similar situation occurs in Bulgaria, where the difference between child poverty rates and the rate for all individuals is 2.6 percentage points, significantly less than in the other countries. Further analysis is needed to better understand the drivers of child poverty and its links with adult poverty, in these countries.

Figure 5. Child poverty rates (0-17) versus adult poverty rates (18 years and over) in 2015

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[35] According to Eurostat, these countries in 2015 were Denmark, Estonia, Finland, Germany, Norway, Slovenia and Sweden.
[36] http://www.oecd.org/els/CO_2_2_Child_Poverty.pdf
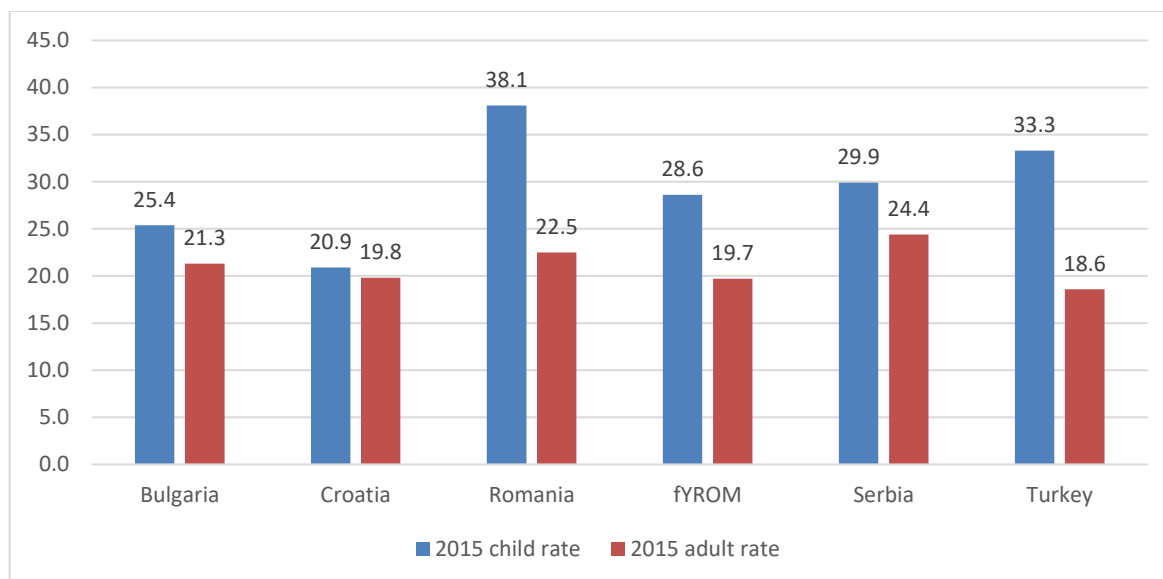
Source: Eurostat accessed 11.08.2017. Data for Turkey is from 2014

Eurostat data makes it possible to disaggregate child poverty for different age groups of children. Figure 6 presents at risk of poverty rates disaggregated for three age cohorts: less than 6 years, 6 to 11 years, and 12 to 17 years. In all the ECAR Group One countries except Bulgaria, the highest at risk of poverty rate is for children aged 12-17 years, while the youngest cohort, those below age 6, has the lowest rate. Adolescent children in some countries face very high risks of poverty, above 40 percent in Romania and 35 percent in Serbia. However, Bulgaria has almost the same and Turkey very similar at risk of poverty rates for all three child age cohorts.

Figure 6. Child At-risk-of-poverty rate by age cohort in 2015
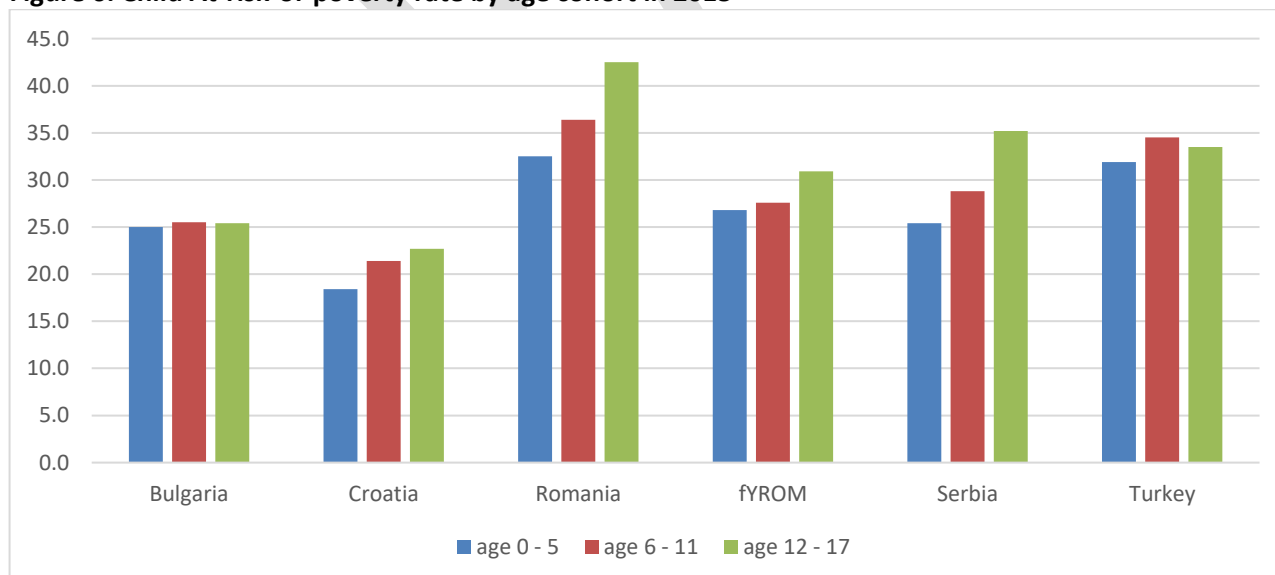
Source: Eurostat, accessed 11.08.2017. Data for Turkey is from 2014

The risk-of-poverty for households with dependent children is also relevant. In many countries in the world households with dependent children have high poverty incidence, while families with three or more children are particularly exposed to risk of poverty. This is also the case in Group One countries.

Figure 7 presents the latest at risk of poverty rates for the general population, households with dependent children and households with three or more children. Families with dependent children in general have higher poverty rates than general population, while poverty rates for families with three or more children are strikingly higher, especially in Romania and Bulgaria. However, in Croatia, at risk of poverty rate for households with dependent children is slightly lower than at risk of poverty rate for all individuals. This is because Croatia has substantial social transfers for children. Bulgaria also has no difference between poverty rates in the general population and households with dependent children. The incidence of households with three or more children is low in most countries, but this nevertheless indicates that these types of families have higher vulnerability and exposure to risk.

Figure 7. At-risk-of-poverty rates for total population, households with dependent children and households with three or more children
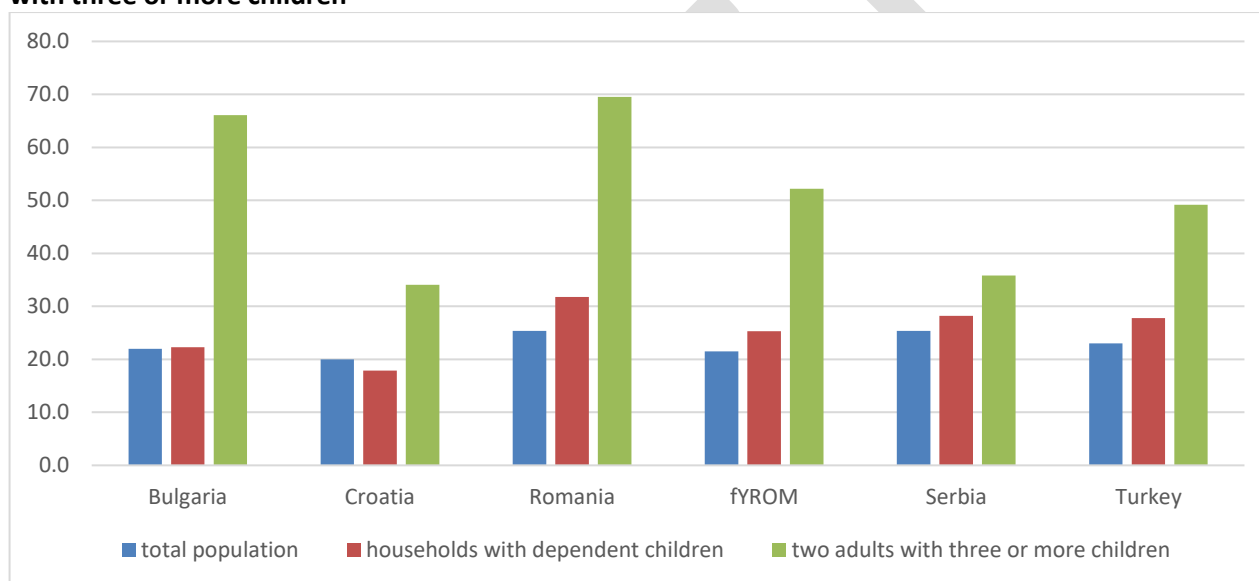
Bulgaria, Croatia, fYROM Romania and Serbia data from 2015, and Turkey for 2014.
Source: Eurostat, accessed 11.08.2017

Tackling poverty and social exclusion is at the heart of Europe's 2020 strategy for a smart, sustainable and inclusive EU. One of the EU's five headline targets is to reduce the number of Europeans living below national poverty lines by 25% and lift at least 20 million people out of poverty and social exclusion by 2020. In order to reach this target the European platform against poverty and social exclusion, based on five areas of action, was devised as a flagship initiative[37]. In accordance with the Open Method of Coordination, all EU countries have translated and adopted the strategy and translated its targets into national targets, and are enhancing their policies. Monitoring progress of each country towards this target and ensuring their active involvement are key elements of the strategy.

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[37] http://ec.europa.eu/social/main.jsp?catId=961

In spite of these commitments, over one in four children was living at risk of poverty or social exclusion across the EU in 2015. This is one of the reasons that the European Parliament adopted a resolution in November 2015 on "Reducing Inequalities with a Special Focus on Child Poverty"[38], which stresses that greater political visibility should be given to fighting child poverty at the highest EU political level if the EU is to meet its Europe 2020 strategy target. The resolution calls on member states to set targets for reducing child poverty and social exclusion and adopt a social investment approach to fighting child poverty by strengthening social rights, access to services and social protection, especially the right to free and universal education, health and social security systems as basic conditions for combating poverty, in particular among children. Subsequently the EU has adopted the European Social Pillar, a set of twenty principles for social progress, which explicitly recognizes that "Children have the right to protection from poverty, and that "Children from disadvantaged background have the right to specific measures to enhance equal opportunities"[39]. These EU resolutions and instruments make clear that tackling child poverty requires the adoption of a life-cycle approach to break the intergenerational cycle of poverty risks that goes beyond income and material deprivation. This means applying a whole-child oriented approach to identify and monitor the multiple deprivations children experience, thereby identifying those groups who are most deprived and measuring not only monetary poverty but also multidimensional deprivations.

The EU's basic indicator for poverty and social exclusion goes beyond relative monetary poverty, but still mainly focuses on material deprivation and labour market exclusion. This measure is the population at risk of poverty or social exclusion (AROPE). This means people affected by at least in one of the following conditions: at-risk-of-poverty after social transfers (income poverty); severely materially deprived (unable to afford certain expenses related to housing, quality diet and leisure, or consumer goods), or living in households with very low work intensity. Although AROPE rates tend to be considerably higher than poverty rates, the difference between child and adult rates on the whole is less than for the relative poverty rates.

Figure 8. Child AROPE rates (0-17) versus total population AROPE rates in 2015

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[38] P8_TA(2015)0401: Reducing inequalities with a special focus on child poverty: European Parliament resolution of 24 November 2015 on reducing inequalities with a special focus on child poverty
http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P8-TA-2015-0401+0+DOC+PDF+V0//EN

[39] https://ec.europa.eu/commission/priorities/deeper-and-fairer-economic-and-monetary-union/european-pillar-social-rights/european-pillar-social-rights-20-principles_en
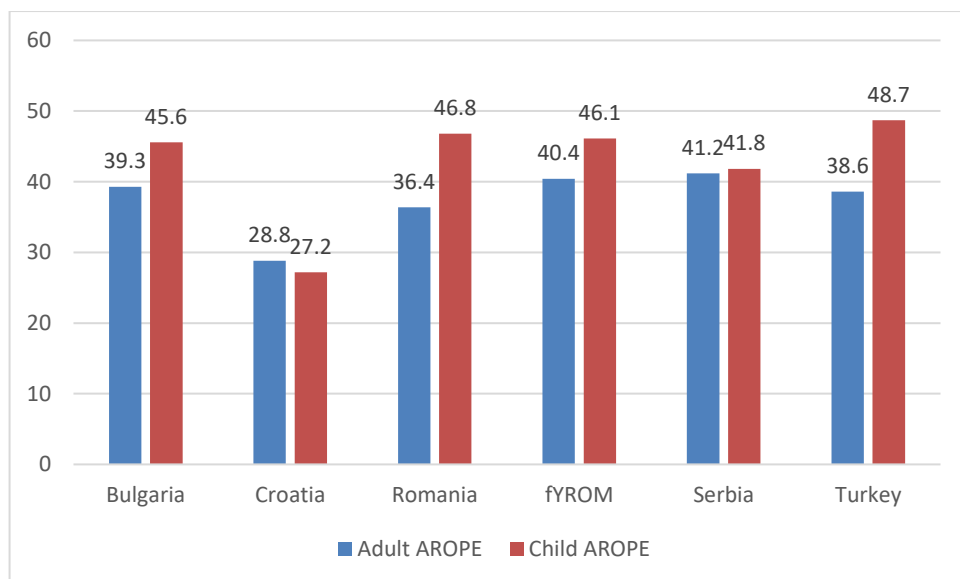
Source: Eurostat, accessed 10.08.2017. Data for Turkey is from 2014

As with at risk of poverty rates, child AROPE rates in all Group One countries are much higher than EU-28 average for children of 23 percent in 2015.

Poverty in Group Two countries

Poverty-general population

The national absolute poverty rates (as per cent of the total population) for each Group 2 country for period 2008-2015 are presented in Table 7, based on available published data.   While poverty in this group of countries has been declining generally, countries register different poverty trends, often related to economic or political crises.   Based on the most recent available data, the highest absolute poverty incidence of 32.1 percent in 2015 was in Kyrgyzstan, while resource-rich Kazakhstan registered the lowest poverty incidence of only 2.7 percent. However, it appears that Kazakhstan poverty line is set at very low level, which may underestimate the real poverty incidence. The increase in Kyrgyzstan's poverty indicators up to 2012/13 is explained by the country's exposure to external shocks (a combination of increases in the price of food and fuel) and internal conflict in 2010 (World Bank, 2013). Both Armenia and Tajikistan also have poverty rates around 30%.

In the Balkan countries, Montenegro and Albania have relatively low poverty with a poverty headcount of 8.6% and 14.3%, respectively, while Kosovo (UNSCR 1244) and Bosnia and Herzegovina population have higher incidence of poverty of 17.6% and 23.4% respectively according to their most recent measurement in 2015 and 2011.   Compared to 2007, poverty incidence in Bosnia and Herzegovina for 2011 increased by 3.2 percent (Bruckauf 2014:7).   Kosovo (UNSCR 1244) has an uneven trend of poverty reduction, while in Montenegro poverty increased somewhat up to 2012. A report on poverty in Montenegro concludes that the trend was due to economic recession and a considerable increase in consumer prices (Montenegro statistical office, 2012). However, it is not

easy to follow trends for Balkan countries because none of these countries conducted surveys on a regular basis.

Several countries experienced significant poverty reduction over this period. Moldova's poverty level fell 16.7% between 2009 and 2015, and Georgia experienced a similar fall, while poverty rates in Azerbaijan, Kazakhstan and Uzbekistan also fell but less dramatically. Figures for Tajikistan also indicate a significant fall in poverty, but due to changes in the poverty measurement methodology, the recent poverty measures are not directly comparable with those from earlier years.

Table 7: Absolute poverty headcount as per cent of total population, 2008-2015

Country	2008	2009	2010	2011	2012	2013	2014	2015
Albania	12.5				14.3			
Armenia	27.6	34.1	35.8	35	32.4	32	30	29.8
Azerbaijan	13.2	10.9	9.1	7.6	6	5.3	5.0	4.9
Belarus	6.1	5.4	5.2	6.3	5.5	4.8	5.1	5.7
Bosnia and Herzegovina**				17.9				16.9
Georgia	33.4	33.5	36.1	32.5	28.9	25.6	22.4	20.8
Kazakhstan	12.1	8.2	6.5	5.5	3.8	2.9	2.8	2.7
Kosovo (UNSCR 1244)		34.5	29.2	29.7	22.9	17.6	21.1	17.6
Kyrgyzstan	31.7	31.7	33.7	36.8	38	37.0	30.6	32.1
Moldova	26.4	26.3	21.9	17.5	16.6	12.7	11.4	9.6
Montenegro	4.9	6.8	6.6	9.3	11.3	8.6		
Russian Federation	13.4	13	12.5	12.7	10.7	10.8	11.2	13.3
Tajikistan		46.7			36	35.6	32.0	32
Turkmenistan								
Ukraine	7.1	5.8	8.8	7.8	9.1	8.4	8.6	6.4
Uzbekistan*	21.8	19.5	17.7	16	15	14.1	13.3	12.8

*Source: published data from each country's national statistical agency; *Uzbekistan – State Statistical Commission submission to TransmonEE database, 2016; ** Bosnia and Herzegovina, relative poverty (60% of median household consumption)*

Child poverty

Although the majority of countries in Group Two produce and publish information on poverty measurements of the general population regularly, production of national data on child poverty is more scarce. Table 8 presents the available data on absolute child poverty for countries in Group Two for period 2009-2015. Only six of the countries (Armenia, Belarus, Georgia, Kyrgyzstan, Moldova and Ukraine) have measured and published child poverty data with any regularity in recent years.

There are also inconsistencies in the reporting of child poverty statistics around the region. Some countries publish poverty statistics disaggregated by age, while others only publish information disaggregated by household type and size. Moreover, there is no consistency in age cohorts for children, as different countries refer to different child cohorts: 0-14 or, 0-15 or 0-17. More consistent information about child poverty is often presented in more details in reports published by UNICEF in the respective countries.

Table 8: Child poverty rate at national poverty lines as per cent of population ages 0 to 17 years

	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Albania				17.1			
Armenia	35.70	41.40	41.90	36.20	37.30	34.00	33.7
Azerbaijan							
Belarus	10.1	9.9	13.3	11.4	10.5	9.2	9.9
Bosnia and Herzegovina			30.50				
Georgia	49.0		40.8		28.4		21.7
Kazakhstan			8.3	6.0	5.0	4.7	4.5
Kosovo*	38.60	32.50	32.80	26.2	20.2	25.3	20.7
Kyrgyzstan	37.90	40.90	44.60	44.50	45.20	37.9-	40.5-
Moldova		24.20	19.80	18.90	15.00	13.00	11.5
Montenegro	10.00						
Russian Federation							
Tajikistan**	50.7						
Turkmenistan							
Ukraine	33.2	32.7	32.0	33.1	32.6	31.1	29.0
Uzbekistan							

	Official statistics published regularly
	Official publication, sporadic
	Published by UNICEF or other agency

*Kosovo data is for 0-18 years;**Tajikistan, children 0-14 years.

Where child poverty rates are available, they tend to be higher than national rates, while the trends are similar to general poverty trends. The difference is most striking in Ukraine, followed by Russia, Bosnia and Herzegovina, and Kyrgyzstan. In Armenia, Ukraine and Belarus child poverty rates increased during years of economic crisis in 2010 and 2011, and declined after that.

Figure 9: Child poverty rates vs. general poverty rates
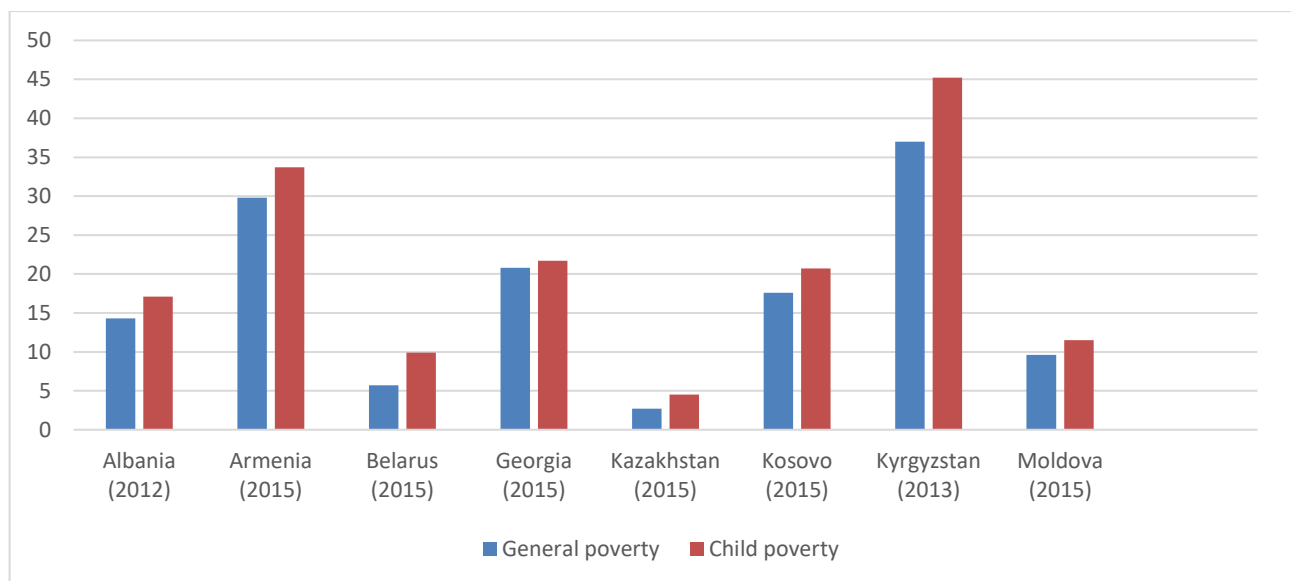
Source: As above

The likelihood of a child being poor increases significantly with the size of their household. Figure 10 presents absolute poverty rates for general population and absolute poverty rates for households with 3 and more children. In all countries, poverty rates of households with three and more children is significantly higher than for general population. In a number of countries the poverty of households with 3 and more children is more than double the rate of the general population. Although there is no comparative data for Tajikistan, a study of child poverty in Tajikistan found out that the second child in a household increased the poverty risk by 51 percent and the third child by 63 per cent (Gassmann, 2011). While the incidence of large households in most countries of the region is low, in Central Asia the share of large households is bigger, which translates into a greater risk of poverty for children.

Figure 10. Poverty rate general population versus poverty rate households with 3 and more children (2011*)
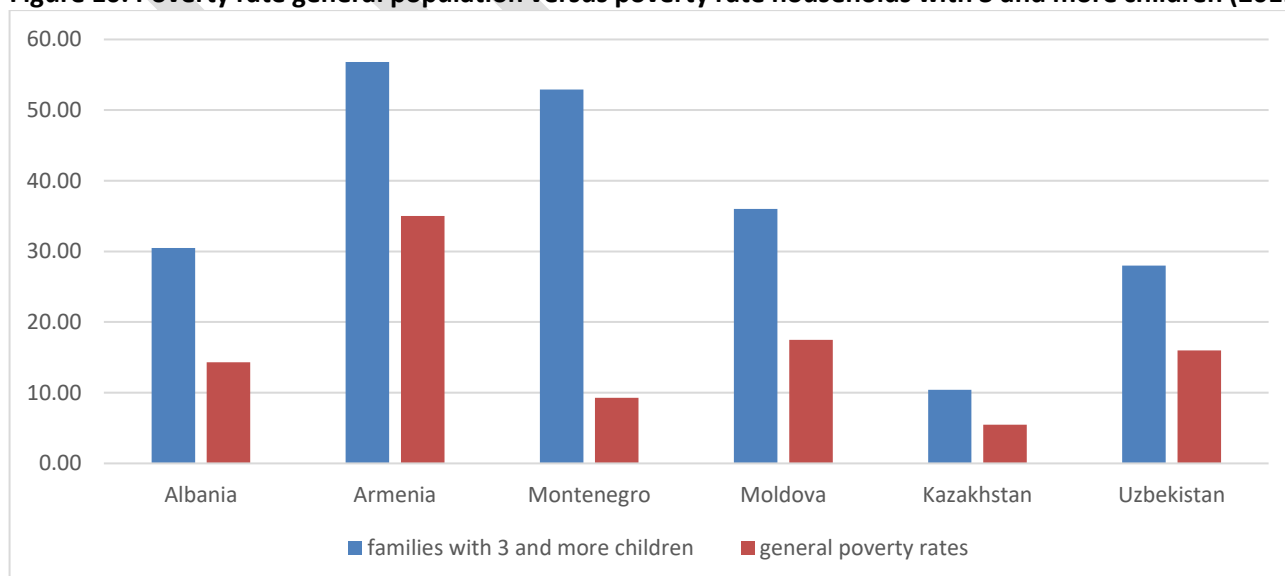
* Data for Albania is for 2012.

Source: National Statistics each country

Single parent households are also highly exposed to poverty, according to the data. In Bosnia and Herzegovina the poverty rate for this group is the highest among all analysed socio-economic groups. This however is a relatively small share of children in the general population as well as among the poor (around 2%) (Bruckauf 2014:11). In Belarus, the poverty rate amongst single parent households was 17.1 compared to 11.2 per cent for the general population (2013). In 2015 in Armenia female-headed households are more likely to be poor (32.1%) than male-headed (28.9%), according to the Integrated Living Conditions Survey.

Estimating Children in Poverty in the Region

Given the various methodologies for poverty measurement it is difficult to estimate the numbers of children in poverty accurately. Table 9 makes an estimate based on national child poverty rates where these have been reported[40].

Table 9 – Estimation of Child Poverty according to national child poverty measures

Country	Number of children (TransMonEE database, 2015)	National Child Poverty Headcount (national measures)	Number of children living below national poverty threshold
Albania	678,550	17.1	116,030
Armenia	690,400	33.7	232,660
Azerbaijan	2,562,820		
Belarus	1,789,680	9.9	177,180
Bosnia & Herzegovina	783,370	30.5	238,930
Bulgaria	1,179,000	25.4	299,470
Croatia	763,360	20.9	159,540
Georgia	780,100	21.7	169,280
Kazakhstan	5,298,490	4.5	238,430
Kosovo (UNSCR1244)	498,400	20.7	103,170
Kyrgyzstan	2,154,850	45.2	973,990
fYROM	423,010	28.6	120,980
Moldova	690,920	13.0	89,820
Montenegro	139,820	10	13,980
Romania	3,725,860	38.1	1,419,550
Russian Federation	28,357,980	18.5	5,246,230
Serbia	1,234,420	29.9	369,090
Tajikistan	3,411,420	50.9	1,729,590

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[40] Annex 6 includes estimates based on the international $3.10 per day poverty rates, and on national poverty rates as reported in the SDG+ database.

Turkey	22,838,480	33.7	7,605,210
Turkmenistan	2,157,920		
Ukraine	7,314,700		
Uzbekistan	10,401,900		
TOTAL			19,303,130

Sources: Staff calculations based on child poverty. Sources for child poverty various: Bulgaria, Croatia, FYRoM, Romania, and Serbia Eurostat 2015; and Turkey Eurostat 2014. Albania (UNICEF, 2012); Armenia National Statistical Service 2015; Belarus National Statistical Committee, 2017 ; Bosnia and Herzegovina TransMonEE 2011; Georgia Welfare Monitoring Survey 2015; Kosovo (UNSCR 1244), World Bank 2015; Kyrgyzstan National Statistics Office 2013; Moldova Ministry of Labour, Social Protection and Family, 2016; Montenegro UNICEF, 2009; Russian Federation TransmonEE 2015;Tajikistan National Statistics Office 2009; TransMonEE rates refer to absolute poverty for children age 0-15 years.

This gives an estimate of 19.3 million children living below national poverty lines, a figure that excludes several countries where there is no child poverty estimate, and which includes some countries that report only up to age 15, therefore underestimating the total. Household surveys also frequently omit some of the most vulnerable children and those more likely to be living in poverty, such as those living in institutions, displaced or irregular migrants, or children living on the street.

Chapter 3. Multidimensional and innovative measurements of child poverty

The 2005 State of the World's Children report adopted the following definition of child poverty: "Children living in poverty experience deprivation of the material, spiritual and emotional resources needed to survive, develop and thrive, leaving them unable to enjoy their rights, achieve their full potential or participate as full and equal members of society" (UNICEF, 2005). This definition encapsulates the complexity of children's needs and poverty deprivation while linking it directly to children's rights. Tackling inequality and exclusion and ensuring the access of all children to essential goods and services, education, adequate health care, safety, and good housing conditions requires countries to understand the problem, commit to solve it, and develop capacities to design and implement effective policies. In recognition of this multidimensional nature of poverty, and of child poverty, new concepts of measurement had to be developed.

Most countries in the ECA region measure and analyse only the monetary aspect of poverty, including child poverty. This limits the understanding of poverty and is likely to underestimate it. As a consequence, this may limit policy interventions for poverty alleviation. The principal exceptions are countries in the region that adhere to EU methodology, where the standard AROPE measure of poverty is AROPE contains additional multidimensional elements related to material deprivation.

In accordance with the global SDG target on reducing multidimensional poverty according to national definitions and related indicator 1.2.2, which requires age disaggregation to capture the proportion of children living in multidimensional poverty, this chapter presents the most relevant instruments for measuring multidimensional aspects of child poverty and the results of multidimensional poverty measurements in the ECA region.

Multidimensional Poverty Index (MPI)
The Global Multidimensional Poverty Index (MPI) is an international measure of poverty based on a standard methodology developed in 2010 by Oxford Poverty & Human Development Initiative and the United Nations Development Programme (UNDP) and covering over 100 developing countries[41]. The MPI is a measure of acute global poverty, which reflects deprivations in basic services and core human functioning for people across countries. The 2017 global MPI assesses multidimensional poverty for people in 103 countries for which data from 2005 onwards are available (from MICS, DHS or similar).

The Global MPI uses information from 10 indicators which are organised into three dimensions: health, education and living standards. Each person is identified as deprived or non-deprived in each indicator based on a deprivation cutoff, for example if they have less than secondary school education[42]. This methodology uses the household as the unit of analysis, identifying the set of indicators in which each person in the household is deprived at the same time and summarizing their

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[41] The methodology is known as the Alkire Foster (AF) methodology, after the originators.
[42] For details of the methodology see Alkire and Santos 2010

poverty profile in a weighted deprivation score[43]. Individuals are identified as multidimensionally poor if their deprivation score exceeds a cross dimensional poverty cutoff. The proportion of poor people (and their average deprivation score (i.e. the 'intensity' of poverty or percentage of simultaneous deprivations they experience) become part of the final poverty measure known as the MPI, which is a figure between 0 and 1[44].

MPI reveals a different pattern of poverty than income poverty, as it illuminates a different set of deprivations (Oxford Poverty and Human Development Initiative, 2015). The global MPI uses indicators that are commonly available across a wide range of countries and that reflect acute levels of deprivation, such as primary school age children not attending school, lack of electricity or safe drinking water in the household, and having a floor made of dirt, sand or dung. The Global MPI is not a child-specific measure of multidimensional poverty, however it is possible to compute the proportion of children living in MPI poor households, and the resulting measure is similar to the calculation of child monetary poverty, where a household level well-being measure (e.g. income or consumption) is applied to each individual living in that household. Table 10 presents the most recent MPI index for some countries in the ECA region, for both adults and children[45]

Table 10. MPI index in CEE/CIS region countries

		Adults (18 years and above)			Children (0-17)		
		MPI Index (MPI = H*A)	Headcount ratio: Population in multidimensional poverty (H)	Intensity of deprivation among the poor (A)	MPI Index (MPI = H*A)	Headcount ratio: Population in multidimensional poverty (H)	Intensity of deprivation among the poor (A)
Country	MPI data source Survey / Year	Range 0 to 1	% Population	Average % of weighted deprivations	Range 0 to 1	% Population	Average % of weighted deprivations
Kazakhstan	MICS / 2015	0.000	0.1	33.2	0.000	0.1	33.3
Serbia	MICS /2015	0.001	0.2	38.1	0.002	0.4	45.6
Armenia	DHS/2010	0.001	0.2	35.7	0.002	0.5	34.4
Montenegro	MICS/2013	0.001	0.2	43.8	0.003	0.6	48.9
Kyrgyzstan	MICS/2014	0.002	0.4	36.7	0.002	0.6	37.9
Bosnia and Herzegovina	MICS/2012	0.001	0.4	37.0	0.003	0.9	37.8
fYROM	MICS/2011	0.002	0.6	35.1	0.003	0.9	37.8
Moldova, Republic of	MICS/2012	0.002	0.7	35.7	0.004	1.0	36.3

[43] For explanation of scores and their weights please refer to Alkire, Jindra, Robles and Vaz (January 2016), "Multidimensional Poverty Index – Summer 2016: Brief Methodological Note and Results, page: 5. Accessed on: http://www.ophi.org.uk/wp-content/uploads/MPI-2016-Brief-Methodological-Note.pdf

[44] A more formal explanation of the methodology is presented in Alkire and Foster (2011)

[45] For more detailed MPI results please see: Main MPI results, headcount ration by dimensions, contribution of deprivations and other measures for poverty and wellbeing at the national level (103 countries) available at http://www.ophi.org.uk/multidimensional-poverty-index/global-mpi-2017/mpi-data/

Ukraine	MICS/2012	0.004	1.1	34.6	0.007	1.9	35.3
Albania	DHS/2009	0.004	1.0	37.0	0.008	2.1	38.4
Uzbekistan	MICS/2006	0.007	2.0	36.1	0.010	2.8	36.3
Azerbaijan	DHS/2006	0.017	4.4	39.3	0.029	7.2	39.5
Tajikistan	DHS/2012	0.048	11.8	40.5	0.062	15.1	41.1

Source: Source: Global MPI Data Tables for 2017: Table 8, Multidimensional poverty, headcount ratio by dimensions and contribution of deprivations for different age groups at the national level (103 countries). Accessed 14/6/2017 at http://www.ophi.org.uk/multidimensional-poverty-index/global-mpi-2017/mpi-data/

For most countries in the region the MPI as defined against the global poverty indicators and cutoffs is very low, raising the issue of the relevance of the indices for the region. However the methodology used is flexible and can accommodate different indicators, weights and cut-offs. In 2014 OPHI presented a set of experimental indices of multidimensional poverty using the cross-sectional EU SILC data (Oxford Poverty & Human Development Initiative (OPHI), July 2014). The methodology used indicators clustered to six dimensions: education; housing; health; material deprivation; social participation; and employment, and shows that an adapted MPI may be relevant for EU countries and could capture disparities for different population groups (regional, gender, migrants, rural, etc.).

The SDG indicator 1.2.2. refers to national measures of multidimensional poverty. Several countries around the world have developed national multidimensional measures, for example Bhutan, Mexico and Colombia, and Bhutan has a national child level multidimensional poverty index. Within the ECA region, Armenia has developed a national measure, adapting the methodology of MPI and using data from the Integrated Living Conditions Survey 2010-2015. The index includes five dimensions that reflect the conditions of poverty in Armenia: basic needs, housing, education, labor, and health, each including a number of indicators that are relevant to the context. Under the national measure of multidimensional poverty, poverty headcount fell from 41.2% in 2010 to 29.1% in 2015.

Table 11 Armenia - share of individuals living in households which are considered multidimensionally poor, by location (as percentage of population)

	National level	Rural areas	Other urban areas	Yerevan
2010	41.2	52.8	37.2	32.6
2011	33.9	43.3	30.4	27.3
2012	31.3	38.3	30.1	25.1
2013	30.5	37.2	27.6	25.8
2014	31.9	35.2	31.6	28.5
2015	29.1	32.7	25.9	28.0

Source: Social Snapshot and Poverty in Armenia, 2016

As a means to measure multidimensional poverty at a national level, more countries in the region can consider developing national indices based on regular household survey data.   National multidimensional indices should be disaggregated for children according to the requirements of the SDG indicator.

Child Deprivation Index

In 2009 the EU SILC, sampling more than 125,000 households in 29 European countries, included a section on the lives of children aged 1 to 16. Using this data, the UNICEF Innocenti Research Centre constructed a 14-item Child Deprivation Index with indicators that are more relevant to the lives of children in the ECA region. The 14 items assess the ability of a household to afford: 1) three meals a day; 2) at least one meal a day with meat, chicken or fish (or a vegetarian equivalent); 3) fresh fruit and vegetables every day; 4) books suitable for the child's age and knowledge level (not including schoolbooks); 5) outdoor leisure equipment (bicycle, roller-skates, etc.); 6) regular leisure activities (swimming, playing an instrument, participating in youth organizations etc.); 7) indoor games (at least one per child, including educational baby toys, building blocks, board games, computer games etc.); 8) money to participate in school trips and events; 9) a quiet place with enough room and light to do homework; 10) internet connection; 11) some new clothes (i.e. not all second-hand); 12) two pairs of properly fitting shoes (including at least one pair of all-weather shoes); 13) the opportunity, from time to time, to invite friends home to play and eat; 14) the opportunity to celebrate special occasions such as birthdays, name days, religious events etc. Approximately 85% of the almost 85 million children (aged 1 to 16) in 29 European countries (27 EU countries at the time, plus Norway and Iceland) have at least 13 of the 14 items in the deprivation index and are therefore 'not deprived'. However, deprivation of children is very high in some newer member states. The highest rates of child deprivation were in Romania and Bulgaria 72.6 and 56.6 percent respectively[46].

The household surveys collected in Group Two countries (HBS, LSMS or HES) contain several areas with data that might be used to construct a deprivation index (for example education enrolment and attendance, healthcare uptake, child labour, water and sanitation characteristics of the dwelling, receipt of social protection programmes).

Multiple Overlapping Deprivations Analysis (MODA)

Multiple Overlapping Deprivations Analysis (MODA) is a flexible methodology designed to measure the experience of multiple dimensions of deprivation by children. It adopts a child rights approach concentrating on children's access to goods and services crucial for their survival, development, protection and participation[47]. It was developed by UNICEF to provide a framework by which children's poverty and deprivations can be measured, quantified and identified.

The methodology comprises the following key elements: (1) it takes the child rather than the household as unit of analysis; (2) it underlines the use of individual level data when possible so that any differences across gender, ages or within households may be observed; (3) the method makes use of the life-cycle approach, changing indicators according to the changing needs of children at different life stages; (4) it broadens the scope of sector-based approaches through overlapping deprivation

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[46]UNICEF Innocenti Research (May 2012): Measuring Child Poverty: New league tables of child poverty in the world's rich countries", page 2. Accessed on: https://www.unicef-irc.org/publications/pdf/rc10_eng.pdf

[47] De Neubourg, Chris; Chai, Jingqing; de Milliano, Marlous; Plavgo, Ilze (2013). Step-by-Step Guidelines to the Multiple Overlapping Deprivation Analysis (MODA), *Innocenti Working Papers* no. 2012-10,

analysis; (5) it includes the prevalence and the depth of deprivation for each child, revealing the most vulnerable children with a higher number of dimensions of deprivation at the same time; (6) it generates profiles in terms of the geographical and socio-economic characteristics of the (multiply) deprived, allowing for better targeted, more effective policy responses and interventions (Neubourg C., 2015). This means the MODA methodology is more suited to assessing how poverty and deprivation are impacting on children specifically, and provides a more direct measure of the multiple deprivations experienced by the most vulnerable children, at the level of the child.

MODA already has various applications, including a cross-country comparative study on low- and middle-income countries (CC-MODA), country-specific MODA studies (national or N-MODA), and an application for the 27 countries of the European Union (EU-MODA), which uses data from the child material deprivation module of the European Union Statistics on Income and Living Conditions (EU-SILC) 2009 and in 2014[48]. In ECAR, CC-MODA is available for Romania, Croatia and Bulgaria (comparable) and N-MODA for Bosnia and Herzegovina, Tajikistan, Kosovo (UNSCR 1244) and Armenia, and has also recently been conducted for Ukraine. National MODA reports are not comparable because each analysis attempts to make the best use of data available in each country. For instance, N-MODA conducted in Bosnia and Herzegovina analysis uses data from the Multiple Indicator Cluster Survey (MICS) 2011-2012 for children aged 0 to 4 and the Expanded Household Budget Survey (EHBS) 2011 for children aged 5 to 15[49]. The Armenian report was based on nationally representative data from the Armenian Integrated Living Conditions Survey 2013/14, for three age groups (0-5, 6-14 and 15-17)[50]. This was updated with 2015 data and published in the Social snapshot and Poverty in Armenia for 2016[51]. Hence, each national MODA is adapted to the national context and makes the best use of available data in assessing child deprivations in holistic way by respecting different stages of child's development and unique needs of each development stage.

Using indicators such as immunization status, exposure to violent discipline, overcrowding in the home, lack of access to quality early childhood care, or absence of a birth certificate, these studies suggest multidimensional deprivation is higher than monetary poverty for children, for example 63 percent of children under 5 in BiH experience deprivation in at least three dimensions; while 64 percent of children in Armenia are deprived in at least two dimensions. Children who live in households below monetary poverty lines were found to be more likely to experience multiple deprivations in both BiH and Armenia, but the overlap is not complete. In Kosovo, multiple deprivation analysis looked at the levels of deprivation for ethnic minority children from the Roma and Ashkali communities and found these children were almost twice as likely (44 percent compared with 24 percent) to experience multiple deprivations, as other children in Kosovo.

Box 1. N-MODA Tajikistan 2015

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[48] Chzhen, Yekaterina; Zlata Bruckauf and Emilia Toczydlowska: Sustainable Development Goal 1.2: Multidimensional child poverty and the European Union, UNICEF Office of Research – Innocenti Working paper WP2017-07: May 2017

[49] Ferrone, L. and Chzhen, Y. (2015). Child Poverty and Deprivation in Bosnia and Herzegovina: National Multiple Overlapping Deprivation Analysis (N-MODA), Innocenti Working Paper No.2015- 02, UNICEF Office of Research, Florence.

[50] Ferrone, L. and Y. Chzhen (2016). Child Poverty in Armenia: National Multiple Overlapping Deprivation Analysis, Innocenti Working Paper No.2016-24, UNICEF Office of Research, Florence.

[51] http://www.armstat.am/en/?nid=82&id=1819

Key findings of the study show:
- A very large number of children are experiencing more than one dimension of deprivation at the same time: about half of the children older than 5 are confronted with 2 or more deprivations. The prevalence of multiple deprivations (3 and more) is especially high in rural areas, with Dushanbe showing a smaller number of children suffering from deprivation in many domains simultaneously.
- Only a small minority of children is not suffering from any deprivation: 10 per cent among the 0 – 4 and about a quarter in the older age groups. In general the depth of the deprivation is very high indicating that several policy initiatives should be taken at the same time.
-The main issue in the 0-4 age cohort group is malnutrition: more than half of the children are deprived in that dimension, meaning that they show either signs of acute malnourishment (wasting) or do not obtain the diet that they should. The figures for stunting are high. The indicator is the same for rural and urban areas, in all provinces.
- The main issue for the 5-10 age cohorts is living in poor living conditions: the quality of the housing conditions is deplorable with more than 40 per cent of the housing lacking adequate floor, roof or walls (or all three). About 7 per cent of the children live in overcrowded houses (with more than 4 persons per sleeping room). The availability of clean and safe water is a major problem with more than a quarter of the children not having access to a safe water source and more than 7 per cent having to walk more than half an hour to fetch water. About 4 per cent of the children do not have access to adequate sanitary facilities. This is true for all age groups and more acute in rural areas.
- Another issue for the 5-10 age cohort is poor school attendance: one out of every 10 children is not attending school.
- The main issue for the 11-17 cohort is educational attendance and attainment. While the overall attendance and attainment are relatively high, the gender differences are significant, with young girls dropping out of school significantly more frequently than boys.
Source: Economic Policy Research Institute (Neubourg C., Karpati J. and Cebotari V.) - **Deprivation and Poverty among Children in Tajikistan: A Multiple Overlapping Deprivation Analysis** in 2015. The study uses data from the Tajikistan Demographic and Health Survey (DHS 2012).

Data for a multidimensional approach to child poverty

The EU-SILC group of countries collects and presents a lot of data that can be used to measure multidimensional child poverty. There is annual information on many dimensions aside from those already reported under the AROPE and at risk of poverty indicators that could be transformed into child deprivation or child poverty analysis. In addition, each year ad-hoc modules are developed in order to complement the variables permanently collected in EU-SILC with additional variables highlighting unexplored aspects of social inclusion. These have included, for 2017 – health and children's health, for 2016 – access to services, for 2015 – social / cultural participation and material deprivation, for 2014 – material deprivation, 2013 – wellbeing, 2012 – Housing conditions, etc[52]. This data source can be used to expand poverty analysis to a multidimensional poverty approach for children.

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[52] http://ec.europa.eu/eurostat/web/income-and-living-conditions/data/ad-hoc-modules

The Group Two countries that collect household data using HBS or a similar survey also have the possibility of using the existing data, or including additional questions to explore some other dimensions. UNICEF developed the SDG Child Poverty Profiling Tool: Child Deprivation in Poverty Survey (Freidman S., 2015) which provides an overview of what can be measured using existing surveys.

Figure 11 Availability of different aspects of multidimensional measures in national surveys per country

	Tajikistan	Kyrgyzstan	Uzbekistan	Moldova	Armenia	Ukraine	Georgia	Albania	BiH	fYRoM	Serbia	Belarus	Turkmenistan	Montenegro	Azerbaijan	Bulgaria	Romania	Turkey	Kazakhstan	Croatia
Nutrition		■			■		■					■	■							
Health		■			■		■					■								
Housing		■	■		■	■	■	■		■	■	■	■	■	■	■	■	■		
Education	■	■		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Water		■	■		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Sanitation	■	■	■	■		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Information	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Monetary Poverty	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
	L-MIC						U-MIC													HIC

Source: adapted from SDG Child Poverty Profiling Tool: Child Deprivation in Poverty Surveys, Child Poverty and Social Protection Team, UNICEF

Based on available data and surveys, monetary poverty can be measured in all countries in ECAR (the analysis did not include Russian Federation and Kosovo (UNSCR 1244)). Various Household deprivation indicators could be followed in the region: 1) Information (based on the presence of communication and computing devices in the household) is available in 20 countries. 2) Sanitation (based on the presence of toilet facilities) is available in all but 1 out of 20 countries. 3) Water (based on the presence of water services) is available in all but 2 out of 20 countries. 4) Housing (based on dwelling construction materials and persons per room ratio) shown in green bars is available in all but 5 out of 20 countries. Education dimension (based on school enrolment) is available in all but one out of 20 countries (with lower coverage for 0-4 age cohort). The health dimension (based on immunisation coverage and birth attended by skilled professional) is only available in 4 countries, while the nutrition dimension (based on anthropometrics and breastfeeding or feeding practices) is only available in 6 countries.

However, some countries do not conduct these surveys regularly and therefore do not have any available micro data sources for measuring monetary or multidimensional poverty, nor they can track progress over time.

Multiple Indicators Cluster Surveys (MICS)

One of the most important tools to measure multiple aspects of child deprivation at the same time is the Multiple Indicator Cluster Surveys (MICS). Through its international household survey initiative MICS, UNICEF assists countries in collecting and analysing data in order to fill data gaps for monitoring the situation of children. MICS is designed to collect estimates of key indicators that are used to assess the situation of children and women. Over the past 20 years MICS has evolved to respond to changing data needs, expanding from 28 indicators in the first round to 200 indicators in the current sixth round, and becoming a key source of data on child protection, early childhood education, and a major source of data on child health and nutrition. UNICEF supports governments in carrying out these household surveys through a global programme of methodological research and technical assistance. MICS findings have been used extensively as a basis for policy decisions and programme interventions, and for the purpose of influencing public opinion on the situation of children and women. Recently, the MICS questionnaires have undergone rigorous methodological and validation work to broaden the scope of the tools and include new topics that reflect SDG indicators and emerging issues in the 2030 Agenda for Sustainable Development context (MICS 2016:2). MICS already covers some of the SDG indicators that are household-based but after this methodological and validation work MICS6 questionnaires in the sixth round will cover almost half of household-based SDG indicators (MICS 2016:2).

UNICEF launched the sixth round of MICS surveys globally in October 2016, and survey work will take place in ECA region in 2018 and 2019. Table 12 shows the availability of MICS data and results in the ECA region for the last two rounds of MICS. In a number of countries, the MICS survey has not been carried out for more than a decade, and there are countries in ECAR where the MICS have not been carried out at all (Armenia, Bulgaria, Romania and Russia)[53]. However, for roughly half of the countries in the region, MICS data has been collected and analysed since 2010. This provides valuable information for national statistical teams for developing national definitions of multidimensional child poverty and designing corresponding survey instruments in order to report towards SDG target 1.2. In a number of countries there are additional surveys of Roma populations which are important bases for monitoring multidimensional poverty among ethnic minorities.

Table 12 MICS, data and report availability

Round	Country	year
MICS5	Turkmenistan	2015-2016
MICS5	Kazakhstan	2015
MICS5	Kyrgyzstan	2014
MICS5	Serbia	2014

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[53] In some of these countries there have been Demographic and Health Surveys, which provide some similar types of information, for example Armenia 2015-2016; Kyrgyzstan, 2012; Tajikistan 2017.

MICS5	Serbia (Roma Settlements)	2014
MICS5	Kosovo (UNSC res. 1244)	2013-2014
MICS5	Kosovo, UNSC res. 1244 (Roma, Ashkali, and Egyptian Communities)	2013-2014
MICS5	Montenegro	2013
MICS5	Montenegro (Roma Settlements)	2013
MICS4	Belarus	2012
MICS4	Moldova, Republic of	2012
MICS4	Ukraine	2012
MICS4	Bosnia and Herzegovina	2011-2012
MICS4	Bosnia and Herzegovina (Roma Settlements)	2011-2012
MICS4	fYROM	2011
MICS4	fYROM, (Roma Settlements)	2011
MICS4	Kazakhstan	2010-2011
MICS4	Serbia	2010
MICS4	Serbia (Roma Settlements)	2010

Source: http://mics.unicef.org/surveys

Innovation

The introduction of new technology and techniques is also making it possible to monitor aspects of child poverty with greater regularity. One recent innovation is the **Listening to Tajikistan (L2T)** survey which began as a means of monitoring the impact of economic downturn on households in Tajikistan, based on high frequency interviews of a sub-sample of the national household survey using mobile phone technology. This initially focused on issues such as remittance income and access to public services such as water and electricity. It has now been expanded to consider aspects of child wellbeing, providing monthly data on diet, access to education and health expenses for children at different levels of household income.

Another innovation in monitoring child poverty that enables incomes and poverty to be estimated relatively rapidly and from a small number of variables is the SWIFT (Survey of Wellbeing via Instant and Frequent Tracking) methodology developed by the World Bank[54]. Globally there are many innovations in monitoring child poverty that could also be applied in this region[55].

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[54] http://www.ifc.org/wps/wcm/connect/a8a598a6-572d-4146-9f4d-0ea35c395a06/SWIFT-brochure-13.pdf?MOD=AJPERES

[55] For more examples see "A World Free from Child Poverty: A Guide to the Tasks to Achieve the Vision", Global Coalition to End Child Poverty, 2017.

Chapter 4. Child poverty measurement – Conclusions and Recommendations

Conclusions

Currently, there are two distinct trends in poverty definitions and measurements in the ECA region, a first group of countries that measures poverty on the basis of EU SILC and in accordance with the EU methodology of relative poverty and deprivation, and a second group that measure poverty using relative and absolute poverty thresholds based on consumption aggregates collected through household surveys on income, consumption and living conditions (HBS, LSMS or Household Living Standard Survey or similar).   Both relative and absolute measures of poverty are relevant for children in the region, since in some countries there are large numbers of children who live in households where the absolute income is not sufficient to meet basic consumption needs; while in other, wealthier, countries there are many children whose standard of living falls far below their peers. However, because of the different methodologies and standards applied, poverty rates between countries are not directly comparable.

The SDG 1.1 indicator using the international extreme poverty line of $1.90 is not very meaningful for most countries in the region. International poverty estimates are not available for all countries in the region. Based on the current international poverty line of $1.90 per day, data is available for eighteen of the countries in the region within the last five years. In the majority of countries the rate is very low, below 1%. If the higher poverty line of $3.10 is used, the rate is still below 5% in most countries. However, Albania, Armenia, Kyrgyzstan and Tajikistan also have substantial poverty at this level. This also raises the question of the suitability of international poverty thresholds applied universally even within the same region where countries share similar characteristics. Currently, the World Bank does not measure and report on child poverty rates against the international poverty threshold at country level. However, based on the requirement of disaggregation of SDG indicators by age and sex, it will be important for this region that the international poverty rates for child poverty should be calculated at both $1.90 and $3.10 a day.   Nevertheless this poverty indicator will be used for measuring progress, and the quality of measurement against this indicator will depend *inter alia* on regular and sound national surveys. Therefore, in order to adhere to international standards countries in the region will need to invest and dedicate resources for regular and sound surveys for poverty measurements and make the data publicly available.

The SDG 1.2.1 indicator requires countries to monitor child poverty on the basis of national measures. Countries in the ECA region that comply with EU statistical standards and report through EUROSTAT measure the child poverty in accordance with international standards that are sufficient for monitoring progress on SDG 1.2. In most other countries in the ECA region, despite the availability of statistical data, child poverty is not regularly reported.   Furthermore, in many of these countries different age cohorts are used for measuring child poverty, which is not aligned with international standards and CRC prescribed child age 0 to 17. Overall, eight countries in the region have regularly available statistics on child poverty; and a further six countries have at least one national measure of

child poverty, albeit not captured on a regular basis. However, based on this analysis and to the extent that household survey data is available, all countries in the region have the ability to report against the SDG indicator 1.2.1 on the proportion of children living in households below the monetary poverty line, for the age group 0-17, and if desired for other age cohorts eg: 0-4, 5-11, 12-17.

According to available national poverty indicators and regardless of the poverty measure used, poverty data suggests there are significant numbers of people including children living in poverty in the region. Child poverty rates substantially exceed poverty rates for the general population in almost all countries in the region for which data is available. All the available poverty data indicates a higher poverty incidence among families with children, especially families with three and more children, compared with the general population. The only exception is Croatia, where the at risk of poverty rate for households with dependent children is slightly lower than at risk of poverty rate for all individuals. This indicates the need for greater focus on reducing child poverty from the public policy perspective in the region, as well as the need for child related policies and financial transfers that should alleviate child poverty.

Given the varying methodologies for poverty measurement it is difficult to estimate the numbers of children in poverty accurately. Since not every country has a published estimate for child national poverty rates, it is difficult to make an estimate on this basis, however on the basis of those countries that have published a national measure, this suggests an estimate of at least 19.3 million children living in poverty in the region.

Indicator SDG 1.2.2 requires countries to measure multidimensional poverty on a national basis. New measures of poverty that capture multiple deprivations have been developed and are now widely available, including for countries in the ECA region. The MPI as a comparative multidimensional measure of acute poverty is available for several countries in the region but its relevance for most countries is questionable because the resulting poverty levels are very low. Although the MPI is not a child specific measure, the proportion of children living in MPI poor households can easily be computed from available data. While the global comparative multidimensional MPI may not provide useful information to guide policy at national level, it is possible to develop national MPI measures, as has been done in Armenia. Most countries where there is national household survey data that covers issues relevant to poverty within the country would be able to do this, which could permit regular monitoring of a national multidimensional measure.

A more direct measure of the ways that children are affected by deprivation can be obtained by supplementing household multidimensional poverty measures with child specific measures. MODA is child specific measure that uses the child as the unit of analysis, rather than the adult or household, and evaluates child-specific deprivations wherever possible. With help of UNICEF, MODA has been conducted in several countries in the region by adapting the methodology to the national context and making the best use of available data.

Every multidimensional poverty measurement rests on a good source of micro data for all dimensions. Both EU-SILC and HBS database when available provide sufficient basis for multidimensional poverty analysis. However, only a few countries in the region regularly conduct these surveys. In response to the SDG targets and monitoring most countries will need revise the methodology and tools of their national surveys to adopt it to their definitions of multidimensional poverty in general and the multidimensional poverty of children. MICS surveys have been conducted in most countries in the region, and offer the potential to obtain data on a broader list of child – focused indicators which can be used for measurement of multidimensional child poverty. Where available, MICS is commonly used for MODA. MICS is likely to play a central role in the new 2030 Agenda for Sustainable Development data landscape. It is envisaged that MICS6 questionnaires will cover almost half of all household-based SDG indicators.

The introduction of new technology and techniques have already been applied in some countries, which is making it possible to monitor aspects of child poverty with greater regularity. Globally there are many innovations in monitoring child poverty that could also be applied in this region. Countries should look into possibilities of utilising new technologies, which are widely accessible.

Recommendations on Measuring and Monitoring Child Poverty in the ECA region

These recommendations are formulated and framed in the context of the relevant international statistical frameworks for the region, principally the EU and the SDGs.

Statistics in the context of EU accession

Countries that are on the path to accession to the EU are in the process of harmonising their national statistical systems with the EU statistical acquis. Since the EU is fully committed to be a frontrunner in implementing the 2030 Agenda and the SDGs, the enlargement countries will also receive assistance in harmonising statistical requirements for reporting and monitoring towards SDG Targets and indicators, including those related to child poverty and deprivation. Countries in the ECA region have different status and levels of cooperation with European Union. Three of UNICEF's programme countries are EU member states: Romania, Bulgaria and Croatia. Albania, fYROM, Serbia, Montenegro and Turkey are candidate states, while Bosnia and Herzegovina and Kosovo (UNSCR 1244) are on the path for candidacy status.

The EU Statistical acquis (Chapter 18) is the basis for producing comparable and reliable EU-wide statistical information. One of the key areas is that of *Social Statistics* (Labour Statistics, Statistics on Income and Living Conditions, Education Statistics, Demography areas statistics), which includes several domains and linked policies.

Table 13. EU Enlargement policies and statistics, poverty and well-being related

Statistical domain	Enlargement-linked policies
Labour and other economic statistics	Growth and employment

Labour statistics, living conditions, social protection, population and migration statistics	Social policy
Audio-visual statistics, culture statistics, health, education statistics	Culture, health, education, consumer protection
Energy, industry and environment statistics	Energy and environment policies
Population, GDP, environment, poverty, demography statistics	SEE 2020 Strategy

The candidate and the potential candidate countries are required to become compliant with the EU *acquis* in most statistical areas by the end of 2020. According to EU country progress reports for 2016[56], some progress has been made with statistical compliance but preparations in the area of statistics remain at an early stage in Bosnia and Herzegovina, Kosovo, Albania and Montenegro. In Montenegro some progress was made – the country conducted EU SILC since 2013 and is planning to publish results including longitudinal data over four years, in 2017. Bosnia and Herzegovina has conducted a pilot SILC and is preparing for full implementation in 2018. Turkey, Serbia and fYROM made good progress in previous years and implemented EU SILC.

SDGs poverty monitoring

The adoption of the Sustainable Development Goals and monitoring framework implies that all countries will need to measure and monitor progress related to the 17 SDGs and their 169 associated targets with 226 monitoring indicators[57] . All countries, developed and developing alike, have a shared responsibility to achieve the SDGs.

In relation to the first target, the reduction of extreme poverty measured by the international poverty line, the definition used to define poverty is based on the WB methodology for international poverty measurement. The World Bank is the designated custodian for reporting on the target, and this means that the World Bank will be responsible for measurement and reporting on the target. However, the quality of their reporting will depend on the availability of good quality and regular national survey data for poverty measurement. Most countries in the region will need to work on developing appropriate national surveys for poverty measurement for national needs and countries should commits funds for regular measurements. Furthermore, it is very important that national poverty data is made publicly available.

For reporting on SDG target 1.2, which aims to "reduce at least by half the proportion of men, women and children living in poverty in all its dimensions according to national definitions", responsibility is placed on national governments. Hence, it is a responsibility of every country to define its own

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[56]https://ec.europa.eu/neighbourhood-enlargement/countries/package_en
[57] Tier Classification Sheet (as of 21 September 2016)

monetary and multidimensional child poverty measures and its associated indicators and report on progress against achieving Target 1.2.

Recommendations

- Countries in the region need to ensure they are measuring and monitoring child poverty in ways that are meaningful within the national and regional context, to enable them to monitor progress towards SDG 1. At present there are few countries that regularly measure child poverty within the region, although most countries have data available that would allow them to do so relatively easily.

- International measures of poverty such as the World Bank's PPP measure and the OPHI/UNDP Multidimensional Poverty measure should be disaggregated for children. In addition, given the relatively low level of extreme poverty ($1.90 a day) in the region, the higher threshold for poverty of $3.10 should also be disaggregated for children. Consideration could also be given to different formulations of the MPI that are more relevant for the region, and that would also be disaggregated for children.

- Countries that have access to a larger range of data on children, such as MICS data, can develop child-specific and life-cycle adapted multidimensional poverty measures that reflect the needs of children at different stages of development. This type of measure can be performed at intervals of 3-5 years as a complement to more frequent disaggregated national measures, since this will give greater insight into child poverty. From a child's perspective the most powerful measures are those that look directly at the deprivations children themselves experience. MODA is one methodology that offers this approach.

- Countries should conduct national surveys for poverty measurement every year, in order to inform policy making, see impact of their poverty reduction policies, track progress over time and report on achieving SDG targets, and this data should be made publically available.

- Countries should develop and regularly revise national definitions of monetary and multidimensional poverty that will set ambitious yet achievable targets for reducing child poverty.

- In order to enhance availability and use of child poverty data, countries should consider introducing innovative ways to collect, monitor and report on child poverty data, including ways to encourage child participation in the monitoring and discussion of child poverty data and potential policy responses.

- All poverty data should be disaggregated by sex, age, employment status and geographical location (urban/rural). Countries should harmonise their national definitions regarding child

age with CRC, which stipulates that child is person age 0 – 17, and apply it to statistical measurement, as well as to other policy areas. Child poverty data should include children age 0 – 17, and be disaggregated to different child age cohorts that reflect different stages of child development needs.

- In accordance with national definitions of monetary and multidimensional poverty countries should revise and adopt survey tools to best serve their national needs for poverty measurements. Both HBS and MICS are flexible and can be adapted to reflect a national context, but without compromising cross-country comparability. MICS offers the potential to obtain data on a broader list of child – focused indicators which can be used for the measurement of multidimensional child poverty.

- Countries in the region that are EU members and those that adhere to EU statistical standards already fulfil statistical requirements for reporting against SDG targets. However fighting child poverty requires the adoption of a life-cycle approach, breaking the intergenerational cycle of poverty risks, that reflects the different needs of early childhood, primary childhood and adolescence, and applying a whole-child oriented approach to identify the extent of multidimensional child deprivation. This means going beyond the AROPE to develop a comprehensive approach, making full use of the data collected on children's lives, and developing additional indicators to improve the assessment of the quality of services, outcomes and access to services, e.g. in relation to the socioeconomic status and background of parents (migrant or minority), gender, disability and geographical aspects. Work is ongoing to examine how this can be done for children across the European Union[58].

- Statistical data is an important source for evidence based decision making by policy makers not only at national, but also at regional and international level. Therefore it is important to make statistical data openly available for all users. Hence, countries should make all poverty related data publicly available and easily accessible, including micro-data, for scientific research purposes and production purposes. This would enhance research, policy design and policy innovation in this field, which is of outmost importance for devising policies for poverty reduction.

Poverty measurement is a dynamic process that requires constant revision of indicators and methodology. But, many countries in the region will need to make an effort to introduce regular, sound, harmonised and transparent measurement practice for child poverty that will inform poverty reduction policies and track the progress. Through this process countries will be able to understand and respond to the needs of most vulnerable and make sustainable impacts that will benefit not only children and their families but also the communities and societies they live in. In relation to the first

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[58] Guio, A.-C., Marlier, E., Gordon, D., Fahmy, E., Nandy, S. and Pomati, M. (2016). Improving the Measurement of Material Deprivation at the European Union Level. Journal of European Social Policy, 26(3), 219–333. doi:10.1177/0958928716642947

SDG goal of ending poverty in all its forms everywhere, children, as the group with the highest incidence of poverty, need to come first. Only by tackling child poverty can the global goal be achieved and children's rights be realised.

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Annex 1. General considerations on poverty definitions and measurements

Poverty is the defined as lack what is necessary for material wellbeing: food, housing, land and other assets. *Poverty* is pronounced deprivation in wellbeing. *Poverty* is the situation of not being able to fulfil fundamental needs. *Poverty* is the lack of multiple resources leading to physical deprivation.[59] (World Bank, 2014). A more complex definition of poverty states that poverty is the lack of *capabilities* – people not being able to have the basic opportunities (concept introduced by A. Sen in 1987). This concept expands poverty to lack of adequate education, medical services, security.

The poor are those that have insufficient income or consumption to put them above some adequate minimum threshold. This is a monetary approach of poverty. This definition of the monetary approach to poverty seems straightforward, but becomes complicated when one tries to measure it. One has to know how to estimate income or consumption, how to determine exactly what "insufficient" is, and perhaps most importantly, what is an "adequate" minimum threshold.

The common criterion to measure monetary poverty is household's *consumption* and/or *income*. Due to difficulties in assessing the income level of households, the consumption of the household is quantified.

Using an *equivalence scale* (commonly OECD scale), the individual consumption is further assessed. As surveys capture disposable household income (after taxes and social transfers) rather than individual income, the household income needs to be adjusted to reflect household composition and size – to make each income 'equivalent', so that we get so called net household equivalised income. Most countries use modified OECD (Organisation for Economic Co-operation and Development) equivalence scale, which was also adopted by EUROSTAT in the late 1990s. This scale assigns a value of 1 to the household head, of 0.5 to each additional person aged 14 and over and of 0.3 to each child aged under 14. It is clear that percentage given to children in the scale can make a significant difference whether family and a child belonging to a certain household will be counted as poor or not.

The common indicator to separate poor from non-poor is the "consumption standard" or poverty line. A *poverty line* can be: the cost of basic needs, or the food energy intake, or a subjective evaluation. The most difficult step in poverty measurement is setting the appropriate poverty line. The common used approach is the "cost of basic needs" which estimates: (1) the cost of acquiring enough food for adequate nutrition (usually around 2100 calories per person per day) adding (2) the cost of other essentials (clothing, shelter). Each country defines its own poverty line, based on defined minimum to be consumed, plus non- food consumption. The poverty line can change if the real poverty threshold is revised over time; depending on this we have relative poverty line and absolute poverty line.

The *relative poverty line* is directly correlated to the income level and distribution in the country. It is usually defined as percentage of the average or median income in a country.

The *absolute poverty line* is defined as cost of a goods basket needed to fulfill basic needs. The challenge is to identify what exactly these basic needs are. The absolute poverty line is usually used for international comparison.

After defining the poverty line the following indexes can be estimated: poverty head count (P0), poverty gap (P1) and poverty severity (P2).

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[59] Definitions presented by the World Bank, Into the Poverty document, chapter 2, pg. 26-30

The *headcount index* (P0) measures the proportion of the population below poverty line, poor population (in % of total population).

The *poverty gap index* (P1) measures the extent to which individuals fall below the poverty line (%, as a proportion of the poverty line). The index gives the minimum cost of eliminating poverty in a country. It is also important when social protection schemes aimed at poverty alleviation are being designed.

In order to capture the inequality amongst the poor, the square poverty gap or poverty severity (P2) is calculated. The *poverty severity* averages the square of the poverty gap relative to the poverty line.

There are other important concepts related to poverty inequality and vulnerability. *Inequality* is the distribution of wealth (income) amongst population in the country. *Vulnerability* is the risk of becoming poor.

Annex 2. International poverty estimates at $1.90 per day (PPP) for countries in the region (2011 – 2014, most recent year)

Country	Year	Data type	Pov.line (PPP$/day)	Mean ($/Month)	Headcount (%)	Pov. gap (%)	Squared pov. gap	Watts index	Gini index	Median	MLD index	Population (mil.)
Albania	2012	c	1.90	225.28	1.06	0.22	0.07	0.27	28.96	195.06	13.84	2.90
Armenia	2014	c	1.90	182.37	2.44	0.56	0.19	0.70	31.54	152.32	16.59	2.99
Azerbaijan												
Belarus	2014	c	1.90	646.27	0.00	0.00	0.00	0.00	27.08	566.43	12.27	9.48
Bosnia and Herzegovina	2011	c	1.90	605.42	0.07	0.02	0.01	0.03	33.83	498.50	19.22	3.83
Bulgaria	2012	i	1.90	478.49	2.03	0.77	0.44	1.01	36.01	396.66	25.01	7.31
Croatia	2012	i	1.90	524.49	0.92	0.57	0.50	0.46	32.51	449.60	21.11	4.27
Georgia	2014	c	1.90	200.07	9.77	2.89	1.25	3.92	40.09	152.61	28.04	3.73
Kazakhstan	2013	c	1.90	364.64	0.04	0.01	0.00	0.01	26.33	317.36	11.23	17.04
Kosovo	2013	c	1.90	255.34	0.78	0.19	0.08	0.25	26.71	224.91	12.10	1.82
Kyrgyzstan	2014	c	1.90	160.46	1.29	0.23	0.07	0.28	26.82	137.09	11.75	5.84
Macedonia, former Yugoslav Republic of												
Moldova	2014	c	1.90	284.48	0.00	0.00	0.00	0.00	26.83	246.16	11.56	3.56
Montenegro	2014	c	1.90	441.22	0.00	0.00	0.00	0.00	31.93	367.37	16.63	0.62
Romania	2013	c	1.90	266.57	0.00	0.00	0.00	0.00	27.45	238.08	12.48	19.98
Russian Federation	2012	c	1.90	786.43	0.04	0.01	0.00	0.01	41.59	563.54	29.05	143.20
Serbia	2013	c	1.90	386.22	0.19	0.04	0.01	0.05	29.06	339.26	14.12	7.16
Tajikistan	2014	c	1.90	104.75	19.51	4.06	1.28	5.04	30.76	87.09	15.76	8.30
Turkey	2013	c	1.90	517.27	0.33	0.06	0.02	0.07	40.18	390.37	27.55	76.22
Turkmenistan												
Ukraine	2014	c	1.90	384.28	0.01	0.00	0.00	0.00	24.09	343.12	9.46	45.36
Uzbekistan												

Source: http://iresearch.worldbank.org/PovcalNet/povOnDemand.aspx. Accessed: 14/6/2017

Annex 3. Poverty headcount ratio at 1.90 USD and 3.10 USD per day in PPP, % of total population

Country	Poverty headcount ratio at $1.90 a day, % of total population	Poverty headcount ratio at $3.10 a day, % of total population	Year of data
Albania	1.06	6.79	2012
Armenia	2.44	14.62	2014
Azerbaijan			
Belarus	0.00	0.00	2014
Bosnia and Herzegovina	0.07	0.45	2011
Bulgaria	2.03	4.70	2012
Croatia	0.92	2.24	2012
Georgia	9.77	25.27	2014
Kazakhstan	0.04	0.26	2012
Kosovo	0.78	3.52	2013
Kyrgyzstan	1.29	17.47	2014
fYROM			

Moldova	0.00	1.03	2014
Montenegro	0.00	0.5	2014
Romania	0.00	4.05	2013
Russian Federation	0.04	0.48	2012
Serbia	0.19	1.33	2013
Tajikistan	19.51	56.67	2014
Turkey	0.33	2.62	2013
Turkmenistan			
Ukraine	0.01	0.12	2014
Uzbekistan			

Source: World Bank, Development Research Group. For more information and methodology, please see PovcalNet (http://iresearch.worldbank.org/PovcalNet/index.htm)

Annex 4. Poverty gap ratio at 1.90 USD and 3.10 USD per day in PPP for total population, in %

Country	Poverty gap at $1.90 a day, in %	Poverty gap at $3.10 a day, in %	Year of data availability
Albania	0.22	1.43	2012
Armenia	0.33	3.52	2012
Azerbaijan	0.47	3.68	2001
Belarus	0.01	0.08	2009
Bosnia and Herzegovina	0.02	0.09	2007
Bulgaria	0.77	1.68	2012
Croatia	0.00	0.03	2009
Georgia	5.04	12.81	2012
Kazakhstan	0.01	0.07	2012
Kosovo	0.01	0.11	2012
Kyrgyzstan	0.74	4.15	2012
fYROM	0.36	2.01	2008
Moldova	0.04	0.50	2012
Montenegro	0.52	0.96	2012
Romania	0.00	0.68	2012
Russian Federation	0.01	0.09	2012
Serbia	0.01	0.26	2010
Tajikistan	0.90	5.53	2009
Turkey	0.01	0.60	2012
Turkmenistan	14.54	31.00	1998
Ukraine	0.00	0.05	2012
Uzbekistan	25.32	46.39	2003

Annex 5. Poverty gap at national poverty lines (%)

	2009	2010	2011	2012	2013
Albania	n/a	n/a	n/a	**2.9**	n/a
Armenia	7.8	8.1	**7.9**	**5.6**	5.9
Azerbaijan	n/a	n/a	n/a	n/a	n/a
Belarus	n/a	n/a	n/a	n/a	n/a
Bosnia and Herzegovina	n/a	n/a	**6.4**	n/a	n/a
Georgia	n/a	n/a	n/a	**4.3**	n/a
Kazakhstan	**1.3**	**1.1**	**0.9**	**0.5**	n/a
Kosovo (UNSCR 1244)	**9.6**	**7.3**	**7.5**	5.4	3.8
Kyrgyzstan	n/a	n/a	n/a	**7.7**	n/a
Moldova	**5.9**	**4.5**	**3.2**	**2.9**	2.0
Montenegro	**1.4**	**1.1**	**2.0**	**2.8**	**2.4**
Russian Federation	n/a	n/a	**12.7**	**11.2**	n/a
Tajikistan	n/a	n/a	n/a	n/a	n/a
Turkmenistan	n/a	n/a	n/a	n/a	n/a
Ukraine	**6**	**9**	**8**	**9**	**8**
Uzbekistan	n/a	n/a	n/a	n/a	n/a

Source: data collected from statistical agencies in each country and World Bank, Global Poverty Working Group Absolute poverty gap index for general population, %

Annex 6: Estimation of Child Poverty according to various poverty measures

Country	Number of children (TransMonEE database, 2015)	World Bank $3.10 per day National Poverty Headcount (1)		SDG+ Database national poverty headcount (2)		National Child Poverty Headcount (national measures) (3)	
		Poverty Headcount	Number of Children	Poverty Headcount	Number of Children	Poverty Headcount	Number of Children
Albania	678,550	6.79	46,080	14.3	97,030	17.1	116,030
Armenia	690,400	14.6	100,800	30	207,120	33.7	232,660
Azerbaijan	2,562,820	2.51	64,330	6	153,770		
Belarus	1,789,680	0	0	5.1	91,270	9.9	177,180
Bosnia & Herzegovina	783,370	0.5	3,920	17.9	140,220	30.5	238,930
Bulgaria	1,179,000	4.7	55,410	22	259,380	25.4	299,470
Croatia	763,360	2.2	16,790	14.8	112,980	20.9	159,540
Georgia	780,100	25.3	197,370	19.4	151,340	21.7	169,280
Kazakhstan	5,298,490	0.3	15,900	2.8	148,360	4.5	238,430
Kosovo (UNSCR1244)	498,400	3.5	17,450			20.7	103,170
Kyrgyzstan	2,154,850	17.5	377,100	30.6	659,380	45.2	973,990
fYROM	423,010	8.7	36,800	22.1	93,490	28.6	120,980
Moldova	690,920	1	6,910	11.4	78,760	13.0	89,820
Montenegro	139,820	0.5	700	8.6	12,020	10	13,980
Romania	3,725,860	4.1	152,760	25.4	946,370	38.1	1,419,550
Russian Federation	28,357,980	0.5	141,790	13.4	3,799,970	18.5	5,246,230
Serbia	1,234,420	1.3	16,050	25.4	313,540	29.9	369,090
Tajikistan	3,411,420	56.7	1,934,270	32	1,091,650	50.9	1,729,590

Turkey	22,838,480	2.6	593,800	1.6	365,420	33.7	7,605,210
Turkmenistan	2,157,920			42.26	911,940		
Ukraine	7,314,700	0.1	7,320	8.6	629,070		
Uzbekistan	10,401,900			16	1,664,310		

Sources: Staff calculations based on: (1) – World Bank Poverty and Equity Database; (2) – SDG+ Database; National Child poverty estimates (3): various: Bulgaria, Croatia, FYRoM, Romania, and Serbia Eurostat 2015; and Turkey Eurostat 2013. Albania (TransMonEE 2012); Armenia National Statistical Service 2015; Belarus TransMonEE 2014; Bosnia and Herzegovina TransMonEE 2011; Georgia TransMonEE 2014; Kosovo (UNSCR 1244), World Bank 2011; Kyrgyzstan National Statistics Office 2013; Moldova TransMonEE 2014; Montenegro National Statistics Office 2009; Tajikistan National Statistics Office 2009; Turkmenistan National Statistics Office 2011;   TransMonEE rates refer to absolute poverty for children age 0-15 years.