Multidimensional Poverty Index in the Republic of Moldova

Workshop on Harmonization of Poverty Statistics to Measure SDG 1 and 10
Geneva, Switzerland, 27 November 2023

Svetlana Furtuna, National Bureau of Statistics of the Republic of Moldova
**The main objectives of HBS**

i) measures of living standards,
ii) consumption and income structure,
iii) weights for consumer price index and
iv) various estimates for the National Accounts.

**Sample size** – 1051 households per month;

✓ **Data collection method:**
   - paper based interview (face to face interview and self recording of diary)

✓ **Survey tools:**
   - Household roster: socio and demographic characteristics, education, employment, housing, land, etc.
   - Diary: income, expenditure (cash, in-kind)
   - Participation form: reasons of non-responses and key variables about non-respondent
Defining the National MPI (by data users & “poor”)
Justification

- To increase access to health services (improve quality, etc.)
  
  **LAW No. 263/2005 regarding the patient's rights and responsibilities is aimed at strengthening the fundamental human rights in the health services system.**

- To promote education for adults throughout life
  - Improve skills demand, match of education and labour market, access of youth to trainings, labour market, (participation, employment) and quality of employment (salary, formal participation).

  **Education code of the Republic of Moldova No. 152 of 07-17-2014**

- Promote clean energy, to facilitate access to adequate heating
  - Facilitate and ensure access to public sewerage system
  - Enable households to live in dignity, in a decent house without severe overcrowding

  **LAW No. 303/2013 regarding the public water supply and sewage service**

- Improve access to labor markets (participation, employment) and quality of employment (salary, formal participation)
  - Enhance quality of employment by improving status of employment, addressing unofficial employment

**GOVERNMENT ACTIVITY PROGRAM "Prosperous, safe, European Moldova“**

The National Plan "Building European Moldova", 20 Government Actions
Moldova National MPI (Dimensions, Indicators and Weights)

**Dimensions and Weights**

- **Health (1/4)**
  - 1. Access to medical services (1/8)
  - 2. Lack of medical insurance (1/8)

- **Education (1/4)**
  - 3. Years of Schooling (1/8)
  - 4. Youth NEET (Not in Education, Employment or Training) (1/8)

- **Living standards (1/4)**
  - 5. Heating (1/20)
  - 6. Sanitation (1/20)
  - 7. Housing (1/20)
  - 8. Overcrowding (1/20)
  - 9. Water (1/20)

- **Employment (1/4)**
  - 10. Unemployment (1/8)
  - 11. Decent work (1/8)

**SDG Area**

- 3
- 3
- 3
- 4 and 8
- 10
- 6
- 10
- 10
- 6
- 8
- 8
Moldova National MPI disaggregation

- Area of residence (urban, rural)
- Statistical regions (North, Center, South, Chisinau municipality)
- Sex of persons (men, women)
- Age groups (0 - 17 years; 18 - 29 years; 30 - 39 years; 40 - 49 years; 50 - 59 years; 60+ years)
- Type of household with children (1 child, 2 children, 3+ )
Moldova National MPI, experimental calculations

Incidence and intensity of multidimensional poverty by area and statistical regions

<table>
<thead>
<tr>
<th>Poverty Cutoff (k)</th>
<th>Index</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>k-value=35%</td>
<td>Incidence (H), %</td>
<td>27.5</td>
</tr>
<tr>
<td></td>
<td>Intensity (A), %</td>
<td>46.5</td>
</tr>
<tr>
<td></td>
<td>MPI (M0 = H*A)</td>
<td>0.1281</td>
</tr>
</tbody>
</table>

Incidence and intensity of multidimensional poverty by area and statistical regions, %

- Total: Incidence 27.5%, Intensity 46.5%
- Urban: Incidence 12.3%, Intensity 37.6%
- Rural: Incidence 43.6%, Intensity 47.4%
- mun.Chisinau: Incidence 10.4%, Intensity 33.2%
- North: Incidence 46.7%, Intensity 46.7%
- Centre: Incidence 47.2%, Intensity 47.2%
- South: Incidence 30.4%, Intensity 30.4%

**EXPERIMENTAL**
Moldova National MPI, experimental calculations

National Censored Headcount Ratio, 2022

Percentage Contributions, by area, 2022
Moldova National MPI, experimental calculations

Incidence, Intensity and Multidimensional Poverty Index (MPI), by area, 2022

<table>
<thead>
<tr>
<th></th>
<th>Population Share, %</th>
<th>Incidence [H], %</th>
<th>Intensity [A], %</th>
<th>MPI (M0 = H*A)</th>
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</thead>
<tbody>
<tr>
<td>Urban</td>
<td>39.7</td>
<td>12.3</td>
<td>42.4</td>
<td>0.0519</td>
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<tr>
<td>Rural</td>
<td>60.3</td>
<td>37.6</td>
<td>47.4</td>
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Moldova National MPI, experimental calculations

<table>
<thead>
<tr>
<th>Indicator</th>
<th>South</th>
<th>Centre</th>
<th>North</th>
<th>mun.Chisinau</th>
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<tr>
<td>Decent employment</td>
<td>0.8</td>
<td>3.0</td>
<td>3.6</td>
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<tr>
<td>Unemployment</td>
<td>0.4</td>
<td>5.3</td>
<td>6.0</td>
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<tr>
<td>Access clean source of water</td>
<td>1.7</td>
<td>10.3</td>
<td>8.1</td>
<td></td>
</tr>
<tr>
<td>Overcrowding</td>
<td>2.7</td>
<td>2.6</td>
<td>4.2</td>
<td></td>
</tr>
<tr>
<td>Housing Materials</td>
<td>2.7</td>
<td>5.0</td>
<td>6.2</td>
<td></td>
</tr>
<tr>
<td>Improved Sanitation</td>
<td>0.4</td>
<td>0.8</td>
<td>0.4</td>
<td></td>
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<tr>
<td>Heating</td>
<td>0.4</td>
<td>0.8</td>
<td>0.4</td>
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<tr>
<td>Youth NEET</td>
<td>0.4</td>
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<td>0.8</td>
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</tr>
<tr>
<td>Years of Schooling</td>
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<td>Lack Medical Insurance</td>
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Censored Headcount Ratio, by statistical regions, 2022
Moldova National MPI, experimental calculations

Censored Headcount Ratio, by sex, 2022

<table>
<thead>
<tr>
<th>Category</th>
<th>Men</th>
<th>Women</th>
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<td>Years of Schooling</td>
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<td>Youth NEST</td>
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<tr>
<td>Heating</td>
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<td>21.4</td>
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<td>Improved Sanitation</td>
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<td>Unemployment</td>
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<tr>
<td>Decent Employment</td>
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<td>16.1</td>
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Moldova National MPI, experimental calculations

Censored Headcount Ratio, by age groups, 2022

- Decent employment
- Unemployment
- Access clean source of water
- Overcrowding
- Housing Materials
- Improved Sanitation
- Heating
- Youth NEET
- Years of Schooling
- Lack Medical Insurance
- Access Medical Care

60+ years | 50 - 59 years | 40 - 49 years | 30 - 39 years | 18 - 29 years | 0 - 17 years

- Decent employment
- Unemployment
- Access clean source of water
- Overcrowding
- Housing Materials
- Improved Sanitation
- Heating
- Youth NEET
- Years of Schooling
- Lack Medical Insurance
- Access Medical Care

EXPERIMENTAL
Moldova National MPI, experimental calculations

Censored Headcount Ratio, by type of household, 2022

Households with children | Households without children
Moldova National MPI, experimental calculations

Censored Headcount Ratio, by number of children, 2022

- Households with 1 child
- Households with 2 children
- Households with 3+ children

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<th>Indicator</th>
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Moldova National MPI, experimental calculations

Overlaps between National Monetary and Multidimensional Poverty Rates

Non-poor 53,0%

Monetary poor 19,4%

11,7%

MPI poor 15,8%
Moldova National MPI, experimental calculations

Absolute poverty rate and Incidence of multidimensional poverty by areas and statistical regions, 2022

Monetary poor vs Multidimensional poor

<table>
<thead>
<tr>
<th>Area</th>
<th>Monetary poor</th>
<th>Multidimensional poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>31.1</td>
<td>37.6</td>
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<tr>
<td>Urban</td>
<td>17.1</td>
<td>27.5</td>
</tr>
<tr>
<td>Rural</td>
<td>40.3</td>
<td>37.6</td>
</tr>
<tr>
<td>mun. Chisinau</td>
<td>10.0</td>
<td>12.3</td>
</tr>
<tr>
<td>North</td>
<td>30.5</td>
<td>33.8</td>
</tr>
<tr>
<td>Centre</td>
<td>37.0</td>
<td>33.2</td>
</tr>
<tr>
<td>South</td>
<td>49.0</td>
<td>30.4</td>
</tr>
</tbody>
</table>
Next steps

• Approval of the MPI methodology – 11.2023
• Completion of the Analytical Report on the Multidimensional Poverty Index of Moldova for 2022 – 12.2023
• Public presentation of MPI – 01.2024
• Inclusion of MPI in the list of indicators for monitoring the SDG target 1.2 and in regular SDG reporting – 2023
THANK YOU!
СПАСИБО ЗА ВНИМАНИЕ!
MULŢUMESC!