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**IMPLICATIONS OF THE TWENTY-EIGHTH MINISTERIAL SESSION OF ESCWA
IN THE AREA OF STATISTICAL MONITORING OF SOCIAL JUSTICE**

**PROPOSED METHODOLOGY FOR MEASURING
MULTIDIMENSIONAL POVERTY**

Summary

This report summarizes a technical paper on a multidimensional methodology for measuring poverty that the Economic and Social Commission for Western Asia (ESCWA) plans to implement in its Pan-Arab Multipurpose Survey, which will serve analytical studies by various ESCWA subprogrammes. A full version of the paper (E/ESCWA/SD/2015/IG.1/CRP.1) will be made available to members of the Statistical Committee.

MONITORING MILLENNIUM DEVELOPMENT GOALS FOR SOCIETAL PROGRESS IN THE ARAB REGION

A. BACKGROUND

1. Although widely diverse in economic terms, Arab countries share common social and cultural characteristics that could contribute to economic integration. According to a recent study by the Economic and Social Commission for Western Asia (ESCWA), such integration could help to absorb the labour force surplus, improve competitiveness and eliminate structural problems impeding production and trade flows, such as poor funding and transport networks, and differences in specifications. There is already momentum towards a common Arab market and an Arab customs union. A pan-Arab approach to obtaining social and economic data will be crucial for improving the comparability of information.

2. A pan-Arab multipurpose survey makes even more sense at a time when Arab countries are establishing their post-2015 development priorities and goals, with emphasis on a common regional perspective and the many facets of human well-being. The comparability of data across countries and assessment of a range of quality-of-life measures, including income and non-income aspects, are critical for monitoring regional development. Ideally, such an exercise would be performed using indicators from a household survey combining consumption expenditure and other aspects of quality of life. In Arab countries, unfortunately, such household surveys are not carried out. Rather, surveys produce information separately on subjects such as household expenditure, labour, health and other aspects, each with a different sampling framework. Many surveys, except those on expenditure, are not carried out regularly. Data from them cannot be meaningfully combined because the respondent household is not the same across surveys. A pan-Arab approach will require synchronized dates and standardized survey concepts and definitions, and harmonized data collection methods, in order to minimize sampling errors.

3. A pan-Arab approach also requires standardized indicators and calculation methods for making cross-country comparison and estimating regional aggregates. National poverty measurement methods currently vary from one country to another and the relevance of the global extreme poverty line to many Arab countries is doubtful. The global community largely accepted the measure of less than 1.25 United States dollars in purchasing power parity (PPP), particularly in the light of Millennium Development Goal 1 to halve global poverty levels of 1990 by 2015; but this measure has been challenged in various regions, such as Latin America and the Arab region, because of shortcomings in such a “one line fits all” approach. Arab countries rely on nationally defined poverty lines for planning and policy purposes, which can be subject even to political considerations. They have no uniform method for defining the composition of a minimum needs basket and their household expenditure surveys do not follow a similar sampling framework. Combining such nationally defined poverty estimates in order to produce regional estimates is therefore necessarily fraught.

4. The main poverty and inequality indicators used in Arab countries and methodological challenges related to poverty measurement and monitoring are discussed in the first part of the technical paper. The second part of the paper argues the need for a pan-Arab multipurpose household survey focusing on poverty and inequality measurement, which could also be used to measure the Sustainable Development Goals (SDGs) as of 2015. The survey builds on the most recent draft of a forthcoming proposal by the Oxford Poverty and Human Development Initiative (OPHI) and Multidimensional Poverty Peer Network (MPPN) for a light survey and adapts it by adding a module on household expenditure to allow the computation of money-metric poverty indicators. In addition, the proposed questionnaire provides expanded modules designed to meet the demands of a more in-depth analysis of economic and social welfare indicators on issues such as employment, health, education, food security, nutrition, housing and expenditure.

B. PAN-ARAB MULTIPURPOSE SURVEY

1. *Context*

5. There is a solid foundation in most Arab countries for carrying out the Pan-Arab Multipurpose Survey (PAMS). The Pan Arab Family Health Survey (PAPFAM) initiative, launched by the Department of Statistics and Databases of the secretariat of the League of Arab States, is a step towards an integrated methodology for social data and indicators. The long-term aim is to build a unified development system in the Arab countries. The department has formed a working group to standardize methodologies, definitions and terminology used in censuses, household surveys and population records of several countries, including Egypt, Jordan, Palestine, Tunisia and Yemen. The PAPFAM initiative is a good example for collecting health and standard of living data and produces databases that most lend themselves to comparison across countries in the region. Extending its scope to include income and expenditure, education and employment, and regularizing survey periods, would contribute to the generation of a very useful multidimensional poverty database.

6. A multipurpose survey should not only focus on measuring multidimensional poverty and inequality, but should also assess well-being in the context of SDGs, particularly those related to household welfare. Regional good practices can be strengthened when combined with global initiatives for generating data for the SDG/post-2015 development indicators. That will help to improve the quality of the database and be cost-effective.

7. National statistical offices of ESCWA member States will be important partners in implementing PAMS. ESCWA will respect their coordinating role for national statistics and seek their views throughout the implementation process.

2. *Scope of PAMS questionnaires*

8. PAMS contains four types of questionnaires – for households, children, women and men – in order to generate key indicators in different aspects of household and human well-being. The survey will permit analysis by gender, age, marital status, urban/rural residence, region, ethnicity, religion, disability, legal status and migration status, if the sample design allows. It will support gendered analysis and permit special studies, for example on disability, physical safety and gender-based violence.

9. The households questionnaire will consist of six modules on household structure, household characteristics (housing, amenities and assets), food insecurity and food diversity, physical safety and violence, expenditure (food and non-food) and annual household income.

POINTS FOR DISCUSSION

10. The Committee is invited to:

(a) Provide substantive feedback on the methodology;

(b) Agree to the organization of PAMS by ESCWA in cooperation with national statistical offices of ESCWA member States and PAPFAM.
