



National Bureau of Statistics
Ministry of National Planning and Infrastructure



Maldives introduces new measure for poverty

Maldives launches new methodology of tracking poverty across the Archipelago.

Male, 4 June 2020 – Maldives joins the first wave of countries in South Asia to measure multidimensional poverty. The Maldives Multidimensional Poverty Index (MPI), which was launched today, is an official, permanent measure to track poverty across the Archipelago as the country continues on its journey to achieve the SDG targets and to ‘leave no one behind’.

The MPI has been developed under the partnership of the National Bureau of Statistics, UNICEF Regional Office South Asia (ROSA) and UNICEF Maldives with technical support from Oxford Poverty and Human Development Initiative (OPHI), Oxford University.

According to the MPI, almost one third of the population (or 28 percent) is living in multidimensional poverty.

The Maldives MPI complements traditional income-based poverty measures by capturing the range of multiple disadvantages that people living in poverty experience. The Maldives MPI tracks a series of eight indicators relating to health, education and information, and living standards to build a more detailed picture of poverty among the population. Any person that is simultaneously deprived in more than one third of all indicators is considered multidimensionally poor. The results released today are based on data from the Demographic Health Survey (DHS) 2016/17.

The report finds that multidimensional poverty is much higher than monetary poverty in the Maldives. According to monetary poverty rates from the same year, 8 percent of the population live below the poverty line of MVR 74 per person per day, whereas almost one third of the population is multidimensionally poor. On average, the multidimensionally poor are deprived in more than one half of the weighted indicators.

Maldives is among the first Small Island States to develop its own MPI, joining Seychelles which launched its official national MPI in May, and Tonga. In South Asia, Pakistan, Bhutan, Nepal and the Indian state of Andhra Pradesh use MPI to track multidimensional poverty and several countries, including Bangladesh, are currently developing their own indices.

Mr. Mohamed Aslam, Chief Guest for the event, during his speech highlighted “The desire of the government to use MPI as a policy tool and stated that it will serve as a good baseline that reflects the situation prior to COVID-19. He noted the importance of gathering data to assess the impact of COVID-19 on the economy and society. Furthermore, he emphasised the need to diversify the economy, need for economic self-sufficiency, importance of promoting agriculture by increasing locally grown agricultural produce, and high value-added fisheries produce for food security. Minister also expressed his desire to work together in building back better and in using MPI effectively in crafting policy responses.”

“When we look at children’s lives, we have seen important progress in new-born and child health, in water and sanitation, and children’s school attendance is very strong. But progress is needed to give children better access to health care. We also see that children’s nutrition – both undernutrition and obesity – have worsened rather than improved. This is an area that will require urgent attention to give the young generation in the Maldives the best chance in life,” said Jean Gough, Regional Director for UNICEF in South Asia.

OPHI’s Co-Director of Policy and Outreach, Dr Christian Oldiges, said of the measure that “The Maldives MPI has gone through a thorough technical and political validation process and is a powerful policy tool to eradicate poverty in all its forms in the Maldives. In the context of the COVID-19 pandemic, measuring multidimensional poverty is especially relevant to monitor who may become poor and most at risk to COVID-19.” The MPI provides a headline figure which is the product of the incidence of poverty (percentage of poor people) and the intensity of poverty (average deprivation share of the poor). The MPI for Maldives is 0.145. This index ranges between 0 and 1 where values closer to 1 refer to higher levels of multidimensional poverty. This sets a baseline for future comparisons. Looking across the regions, the highest multidimensional poverty was experienced in Central Region (K., AA, ADh, V Atoll) with an MPI value of 0.239. MPI was lowest in North Central Region with an MPI of 0.185.

The report reveals that 87% of people who are multidimensionally poor live in the Atolls, but only 13% in Male’. Given that 61% of the population live in the Atolls, as opposed to 39% in Male’, this provides a clear direction for policy interventions. In Male’ 10% of people are multidimensionally poor, whereas in the Atolls 40% of people are poor.

The MPI looks at whether a household has members that are underweight, obese and if women have access to health care. Years of schooling, access to internet, drinking water, sanitation, and overcrowding make up the indicators which reveal if a household is considered multidimensionally poor or not.

At the national level, years of schooling contributed close to one fifth (19%) of overall poverty in Maldives. Access to health care contributed 16%. In Male’, overcrowding contributed 19% and the lack of access to health care contributed 21%. In the Atolls, years of schooling was the main contributor to poverty (20%); followed by access to sanitary facilities (17%), access to health care and safe drinking water (16% each).

Two groups in particular are at risk of being left behind. Children bear the greatest burden of poverty and have a higher likelihood of being multidimensionally poorer than any other age group, with a third of 0–17 year olds living in MPI poor households. Among households having at least one member with some form of disability, 34% of people are poor as compared to 27% in households without any disabled member.

The report also shows that multidimensional poverty in Maldives has reduced over time. Between 2009 and 2016/17, multidimensional poverty has decreased to one third of its original value – from 0.425 to 0.145. The Atolls drove this by reducing the numbers of people living in multidimensional poverty by more than a half. Over the eight year period studied, the indicators in education and living standards showed the most visible improvement. However, the study of trends highlight how immediate action is needed across all regions to improve the nation’s health with levels of obesity and malnutrition/stunting among children

increasing. Other areas for focus include addressing housing needs in Male' and improving sanitation and access to safe drinking water across the Atolls.

Computed by NBS, and endorsed by President Ibrahim Mohamed Solih, the Maldives MPI aims to serve as a tool for monitoring progress on the National Development policies and Strategic Action Plan (SAP) 2019–2024 for policy coordination, readjusting programmes, targeting the most disadvantaged, and accelerating the outputs given by different sectors in their development plans. With key SDGs prioritized and embedded within the development plans, the multidimensional measure (MPI) complements the existing income poverty measure and raises awareness among policy makers to look beyond monetary poverty.

**

About the *National Multidimensional Poverty in Maldives Report*

The full report and other related materials can be found

<http://statisticsmaldives.gov.mv/multidimensional-poverty-index/>

For more information, including requests for interviews, please contact:

Fathimath Riyaza, Deputy Statistician, National Bureau of Statistics
T: +960 7747040 | fathimath.riyaza@stats.gov.mv

Notes to editors

OPHI

OPHI (Oxford Poverty and Human Development Initiative) is an economic research and policy centre within the Oxford Department of International Development at Oxford University: www.ophi.org.uk.