

GOVERNMENT OF INDIA
MINISTRY OF PLANNING

LOK SABHA
UNSTARRED QUESTION NO. 2860
TO BE ANSWERED ON 20.12.2023

MULTIDIMENSIONAL POVERTY INDEX

2860. SHRI SANJAY KAKA PATIL:

Will the Minister of PLANNING be pleased to state:

- (a) whether the Government is aware that using individual level data sources such as NFHS for making household level conclusions in the Multidimensional Poverty Index leads to underestimation of poverty;
- (b) if so, the steps taken by the Government to improve the methodology of the Index in this regard;
- (c) whether the Government is aware of criticism from experts regarding indicators selected in the Index; and
- (d) if so, the steps taken by the Government to improve Indicators of Multidimensional Poverty?

ANSWER

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION; MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS

(RAO INDERJIT SINGH)

- (a) and (b) NITI Aayog has recently published a report, 'National Multidimensional Poverty Index: A Progress Review 2023', estimating multidimensional poverty at national, state and district levels. The estimates in the National MPI are based on the National Family Health Surveys (NFHS), sourced by the International Institute for Population Sciences (IIPS) in coordination with the Ministry of Health and Family Welfare (MoHFW).

Like the global MPI, India's national MPI has three equally weighted dimensions – Health, Education, and Standard of living. India's MPI covers 12 indicators which include nutrition, child and adolescent mortality, maternal health, years of schooling, school attendance, cooking fuel, sanitation, drinking water, electricity, housing, bank accounts and assets. Of these, in indicators like nutrition, maternal health and school attendance, if any individual within the household for whom data indicates deprivation, then the entire household is considered deprived. Accordingly, it is unlikely that the poverty is underestimated using individual data (rather than 'household' data).

(c) and (d) Certain individuals have raised concerns in the past with respect to the methodology used in the national MPI and definitions of the indicators used therein. However, MPI is based on a globally accepted Alkire-Foster methodology. In addition, NITI Aayog has constituted the MPI Coordination Committee (MPICC), which includes representatives from key Ministries/ Departments. Experts from the Ministry of Statistics and Programme Implementation (MoSPI) and technical partners like the Oxford Poverty and Human Development Initiative (OPHI) and the United Nations Development Programme (UNDP) are also involved in the process, to ensure that the methodology is robust.
