





Department of Economic and Social Affairs

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Concept Note and Agenda Workshop on Optimizing poverty reductions in Arab States: Measurement and tools to inform policies Hashemite Kingdom of Jordan, Amman

November 28-29, 2023

1. Background

The 2030 Agenda for Sustainable Development recognizes that fighting poverty in all its forms and dimensions is among the greatest global challenges and is indispensable for sustainable development. In particular, the first two targets of Sustainable Development Goal (SDG) 1 aim to "eradicate extreme poverty everywhere" (SDG 1.1), and "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" (SDG 1.2). In the Arab region, poverty reduction has been slow, and poverty reduction trends of the last two decades have been reversed. Due to several adverse shocks (e.g., pandemic, wars, inflation), the poorest and the most vulnerable populations in the Arab region have been left behind. Hence, there is considerable concern regarding the capacity of Arab countries to recover and transition out of poverty by 2030.

In order to design policies that focus on both extreme monetary as well as multidimensional poverty, the Economic and Social Commission for Western Asia (ESCWA) has developed two types of tools: one that facilitates the measurement of poverty and one that helps policymakers find optimal paths for poverty reduction.

With regards to monetary poverty and to support Arab countries in responding to the rising income poverty challenge, ESCWA prepared a user-friendly web-based platform, giving experts and non-experts easy access to the Foster-Greer-Thorbecke (FGT) class of poverty measures based on user-defined specifications. These are based on new studies undertaken by ESCWA that use grouped data for over 150 countries to estimate and project measures of income/consumption poverty (using an appropriate ESCWA poverty line for global

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comparisons). Building on these methodological innovations, ESCWA constructed a tool that integrates these functions on a user-friendly web-based platform. The tool supports countries in undertaking poverty forecasting under various growth and distribution scenarios, in addition to carrying out regional and global poverty comparisons and estimating the cost of poverty reduction.

With regards to multidimensional poverty and recognizing that poverty is at heart a multidimensional phenomenon, ESCWA has led the development of a regional Arab multidimensional poverty index (MPI). ESCWA is also supporting many countries in the Arab region to develop their own national MPIs. For this reason, ESCWA developed the Multidimensional Poverty Assist Tool (MAT), which helps countries tailor their national MPI to their specific context. National MPIs lend themselves for monitoring national plans, informing policies and tracking advancements in reaching the SDGs. To better inform policies for multidimensional poverty reductions, ESCWA has developed a tool that helps policymakers find the most optimal paths for reducing multidimensional poverty. The ESCWA optimization tool allows member States to find which MPI indicators need to be reduced the most so that MPI goals can be met by 2030. It is targeted towards the poorest of the poor and supports member States in designing evidence-based poverty reduction strategies to leave no one behind. As currently employed in several Arab countries including Egypt, Palestine, Mauritania and Somalia, these methodologies and tools can support countries in estimating whether they are on track to meet the SDGs by 2030. They can also support policymakers in setting policies that ensure efforts meet the needs of the most vulnerable households.

2. Objectives

Against this background, ESCWA, the UN Department of Economic and Social Affairs (DESA) and the League of Arab States (LAS) are partnering to organize a workshop for public officials on the use of poverty measures for policy and poverty reduction strategies.

Member States will have more hands-on information on how to measure poverty and how to formulate policy solutions to reduce poverty. The workshop will present experiences from across the world and highlight latest developments in multidimensional and money-metric poverty measurements and reduction efforts. Regional poverty experts will also be taking part to reflect on regional experiences.

Main objectives

- To provide a background on income poverty and inequality and their overlap with multidimensional poverty (and inequality) in the Arab region;
- To provide an overview of how different measures of poverty may relate differently with the identification of determinants of poverty and how this may affect the approach for policymaking;
- To provide hands-on experience in using the ESCWA Money-metric Poverty Assist Tool (MPAT) and its role in setting policies to accelerate action on poverty-related SDGs;
- To discuss successful policies to reduce multidimensional and money-metric poverty;
- To introduce the concept of optimizing and accelerating reductions in multidimensional and moneymetric poverty in the Arab region;
- To facilitate South-South learning across Arab countries;
- To exchange knowledge on using national MPIs and national poverty thresholds for monitoring and planning purposes, and as a tool for poverty reduction strategies.

3. Topics

- Poverty, its reversal and current development challenges in the Arab region
- Existing money metric and multidimensional poverty measures
- ESCWA tools (MAT, MPAT and optimization model for poverty reduction)
- Using the ESCWA poverty lines and national MPIs to inform policy for poverty reduction strategies

4. Outcomes

- Enhance the capability of participants in using national poverty measures for policymaking
- Enhance participants' skills to use the ESCWA poverty reduction tools
- Continuous south-south peer learning

5. Participation and registration

Participants will include government officials from the National Statistics Offices and Ministries of Social Affairs/Development and related government offices from ESCWA member States. In total, between 30-40 participants will be present.

6. Organization, format, venue and dates

The workshop is organized in the framework of the global project on "Strengthening national capacities in monitoring the multiple dimensions of inequality to reduce poverty". It is implemented by the "Gender Justice, Population and Inclusive Development Cluster" at ESCWA and the Division for Inclusive Social Development at UN DESA in collaboration with the League of Arab States.

- **Proposed Venue:** Kempinski Hotel, Amman, Hashemite Kingdom of Jordan
- **Date:** November 28-29, 2023
- **Participants:** 30-40 senior officials from Ministries of Planning & Social Affairs

7. Working language

Arabic and English are the working languages of the workshop. Simultaneous interpretation services will be provided in sessions.

8. Additional information

Further information and documentation is provided at the following URLs:

https://moneymetrics.unescwa.org/.

https://www.unescwa.org/sites/default/files/pubs/pdf/counting-world-poor-engel-law-english.pdf.

<u>https://www.unescwa.org/sites/default/files/pubs/pdf/obstructed-poverty-reduction-growth-passthrough-analysis-english_0.pdf</u>.

https://mat-training.unescwa.org/.

https://mat-training.unescwa.org/Home/Manuals.

Please address inquiries and requests for additional information to:

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Agenda

Day 1 (Money metric poverty)

9-9.15 a.m. Participant Registration

9.15–9.45 a.m. Opening remarks

HE Minister of Social Development of the Hashemite Kingdom of Jordan Wafa Bani Mustafa

HE Ambassador Dr. Haifa Abu Ghazala, Assistant Secretary-General and Head of the Social Affairs Sector of the League of Arab States

Head of ESCWA's Delegation, Dr. Khalid Abu-Ismail

9.45-10.45 a.m. Session 1

Contextualizing the Arab poverty challenge

Khalid Abu Ismail (ESCWA) and Tarek Al Nabulsi (LAS)

The session provides a general review of the main income and multidimensional poverty and inequality stylized facts, focusing on regional and sub-regional trends and challenges that the policies need to address. The presentation mainly draws from two publications: *The second Arab multidimensional poverty* and the *Income poverty and wealth concentration trends in the Arab region*.

10.45-11.45 a.m. Session 2

National poverty assessments - The case of Palestine

Marwan Khawaja (ESCWA)

The session presents the ESCWA approach to measuring national money metric poverty using the Palestine national poverty line as a case in point. The objective is to highlight different approaches to measuring the cost of basic needs and implications for the poverty headcount ratio.

11.45 a.m.-12 p.m. Break

12-12.45 p.m. Session 3

Counting the poor: ESCWA's approach

Khalid Abu Ismail and Vladimir Hlasny (ESCWA)

Building on the previous session, this session illustrates the ESCWA approach to conducting cross-country comparisons, based on the cross-country comparable ESCWA poverty lines using the relation between per capita household income and national poverty lines.

12.45-13.45 p.m. Session 4

Demonstration using MPAT

Hassan Hamie and Jinane Jouni (ESCWA)

The session will describe in brief the forecasting methodology used to produce updated poverty results for Arab countries and globally in the ESCWA forthcoming World Poverty Report. In this session, participants will also learn how to apply the ESCWA poverty line presented in Session 3 to undertake country forecasts and simulate impact of shocks, whether distributional or growth, on headcount poverty.

13.45-4 p.m. Break

14–15.30 p.m. Session 5

Poverty reduction policies: lessons learned

Claudio Santibanez (DESA) and Maria Carmen (ESCWA)

One question that naturally arises is how to realize these required growth and income distribution trends. In this session, taking into account measurement issues, the focus is on global success stories and in particular pro-poor growth policies that are relevant in the Arab context, which can effectively respond to the challenges identified in the first session.

15.30-16.30 p.m. Lunch

Day 2 (Multidimensional poverty)

9:00-9.30 a.m. Session 6

Introduction to the MPI and ESCWA's work in the region - Christian Oldiges, ESCWA

This session introduces the multidimensional poverty index and its application by ESCWA to support poverty reduction efforts by member countries in the region.

9.30–10.30 a.m. Session 7

Second Arab Multidimensional Poverty Report

Lead authors and contributors (LAS, ESCWA, UNICEF, UNDP, UNFPA and OPHI)

This session introduces the revised Arab multidimensional poverty index and discusses the main findings of the second Arab Multidimensional Poverty Report. The discussion will focus on the policy priorities identified in the report to address multidimensional poverty in the region, in all its forms.

10.30-10.45 a.m. Break

10.45-11.30 a.m. Session 8

ESCWA tool: Building and simulating multidimensional poverty - Rima Abdul-Khalek (ESCWA)

ESCWA tool: Optimizing multidimensional poverty reduction – Hassan Hamie (ESCWA)

This session introduces the ESCWA MPI tools that support member States in building national MPIs as well as using these to set meaningful poverty reduction targets and design poverty reduction strategies. The session will also review the utilization of the MAT to assess the impact of the war in Gaza on multidimensional poverty.

11.30 a.m.-12.30 p.m. Session 9

Experience from member States (Islamic Republic of Mauritania and Federal Republic of Somalia) in building and using national MPIs

In this session, member States share experiences of their specific progress and process in developing national MPIs. It offers a learning opportunity and an exchange of ideas between member States to understand what works best and where bottlenecks occur.

12.30–13.30 p.m. Session 10

Experience from member States (Republic of Iraq and State of Palestine) in building and using national MPIs

Two additional member States share experiences of their specific progress and process in developing national MPIs.

13.30-13.45 p.m. Break

13.45-14.30 p.m. Session 11

MPI as a policy planning tool in the Global South Corinne Mitchel (OPHI)

In this session, the Oxford Poverty and Human Development Initiative provides an overview of experiences from the Global South in using national MPIs for informing and guiding poverty reduction policies.

14.30-15.00 p.m. Closing remarks

15.00 p.m. Lunch