Making multidimensional poverty indices fit for the SDGs

Main messages

The natural environment is important for human wellbeing, especially for the poor. Besides being a driver of change of wellbeing, there is also a robust theoretical and empirically grounded basis for including the environment as a dimension in multidimensional poverty definitions and indices in some contexts.

Integrating environmental aspects of poverty can result in a more complete identification of the poor, a more accurate measurement of poverty and a better understanding of its drives. Including the natural environment as a dimension in poverty indices can inform a new set of indicators that reflect and support the ambitions set out in the 2030 Sustainable Development Goals (SDGs).

Background and aim

Poverty policies have evolved from a focus on income to the consideration of multiple dimensions of poverty and sustainable development. However, the environment is not taken into account in existing widely used poverty indices.

The SDGs are explicit about the pivotal role of natural resources and climate change for eradicating poverty in all its forms.

The project[1] addresses the questions:

- Should the natural environment be considered as a dimension of human wellbeing and poverty?
- What are relevant environmental indicators for inclusion within multidimensional poverty indices?
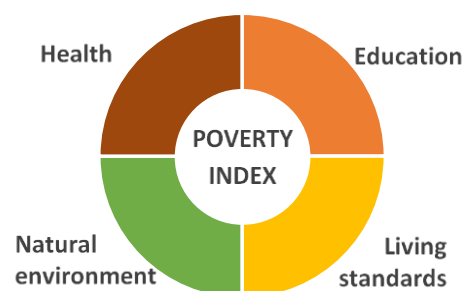

Methodology

The project team reviewed key philosophical accounts and conceptual frameworks of wellbeing and poverty.

The proposed concept was revised after a workshop and discussed with Rwandan national environment and poverty policy makers.

Implications and recommendations

- **Measurement and reporting for the SDGs**: including an environmental dimension in poverty indices can change national poverty statistics and affect who is regarded as 'poor'.

- **Policy and context:** A new environmental poverty dimension can be country-specific and context-dependent. There are important contextual and political considerations in the decision to include the environment and the selection of indicators, their measurement and implementation.

- By recognising the environmental dimension of poverty, strategic **interventions** in environmental management could contribute to poverty eradication objectives; interventions for poverty alleviation can contribute to environmental goals.

- A first step towards **practical implementation** is to provide decision-makers with data and evidence of social-environmental links. This requires developing datasets with compatible spatial and temporal scales and units of analysis.

Including the natural environment as a dimension of the widely used Multidimensional Poverty Index can make it fit for the SDGs.

Contact and partners

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[1] Ecosystem Services as a Missing Dimension of Poverty: www.espa.ac.uk/projects/ne-m00760x-1