



FACTSHEET: MULTIDIMENSIONAL POVERTY INDEX

Community-level research in the marzes of Lori, Shirak, and Tavush

Overview

- CRRC-Armenia conducted a survey to measure multidimensional poverty on the community-level in the three northern regions of Lori, Shirak, and Tavush.
- Based on the Alkire-Foster (AF) method of measuring multidimensional poverty.
- AF method applied by the World Bank to calculate the national multidimensional poverty index (MPI); CRRC-Armenia has uniquely piloting this method at the community level.
- Questionnaire based on the ILCS questionnaire of SC; WB used ILCS to calculate the national MPI.
- Sampling – about 2,400 people were interviewed in August, 2021 for this survey.
- The survey data were segmented into eight specific communities to create a community-level MPI that provides a nuanced look at the unique issues impacting specific communities within these three regions.
- The three marzes of Lori, Shirak, and Tavush were segmented into the eight communities: (1) Ijevan, (2) rural Tavush, (3) urban Tavush (excluding Ijevan), (4) rural Shirak, (5) Gyumri, (6) rural Lori, (7) Spitak, and (8) Vanadzor.

Measuring poverty through multiple dimensions

- Poverty is normally measured in one dimension, usually income or consumption, yet this one dimension inadequately addresses the multiple factors that result in poverty.
- The development of a multidimensional poverty index (MPI) based on the AF method targets the measurement of acute poverty¹, which refers to (1) those living under conditions which do not meet internationally agreed minimum standards of indicators of basic functionings, and (2) those who are living under conditions which do not meet minimum standards in several factors at a time.
- The AF method of MPI development measures individuals and households experiencing multiple deprivations, such as being undernourished, having no access to clean drinking water, experiencing inadequate sanitation, unclean fuel, etc.

¹Definition of “acute poverty” from Alkire, S. and Santos, M.E. (2011). *Training material for producing national human development reports: The multidimensional poverty index (MPI)*.

Five dimensions were included in the calculation of our MPI (based on the World Bank’s approach). Each dimension has its own set of indicators with their own associated questions based on the context of poverty in Armenia.

Basic Needs (1/5)

Indicators: (1) Life in dignity; (2) Humanitarian aid; (3) Remittance-dependency; (4) Extreme food poverty;

Housing (1/5)

Indicators: (1) Subjective housing conditions; (2) Adequate housing; (3) Overcrowding; (4) Healthy heating; (5) Continuous access to a centralized water system; (6) Centralized sanitation and garbage disposal; (7) Hot running water; (8) Quality of public services; (9) Access to transportation

Education (1/5)

Indicators: (1) Secondary education; (2) Compulsory schooling; (3) Quality education services; (4) Access to education

Labor (1/5)

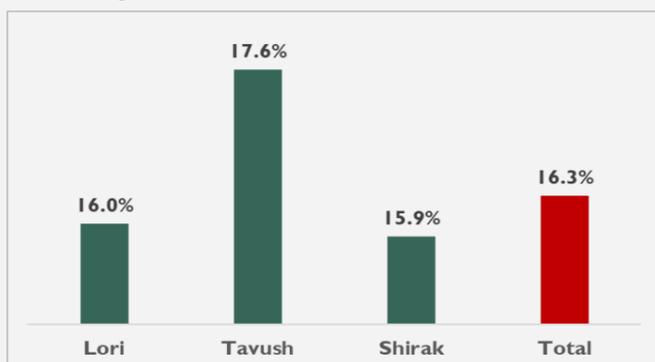
Indicators: (1) Labor market participation; (2) Long-term unemployment

Health (1/5)

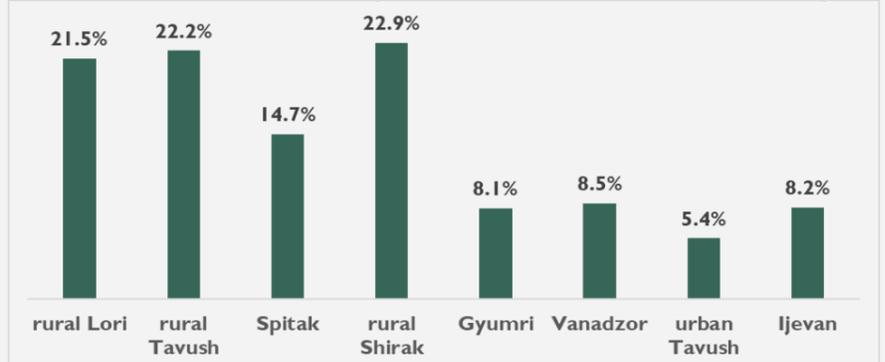
Indicators: (1) Affordability of health services; (2) Termination of usual activities; (3) Access to health services; (4) Quality of health services

Marz and Community Level MPI

Share of deprived individuals on Marz Level



Share of deprived individuals on Community Level



This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of CRRC-Armenia and do not necessarily reflect the views of the European Union.

Այս հրատարակումը պատրաստվել է Եվրոպական միության ֆինանսական աջակցությամբ: Բովանդակության համար պատասխանատվություն է կրում ՀՀԿԿ-Հայաստան հիմնադրամը, և պարտադիր չէ, որ այն արտահայտի Եվրոպական միության տեսակետները:

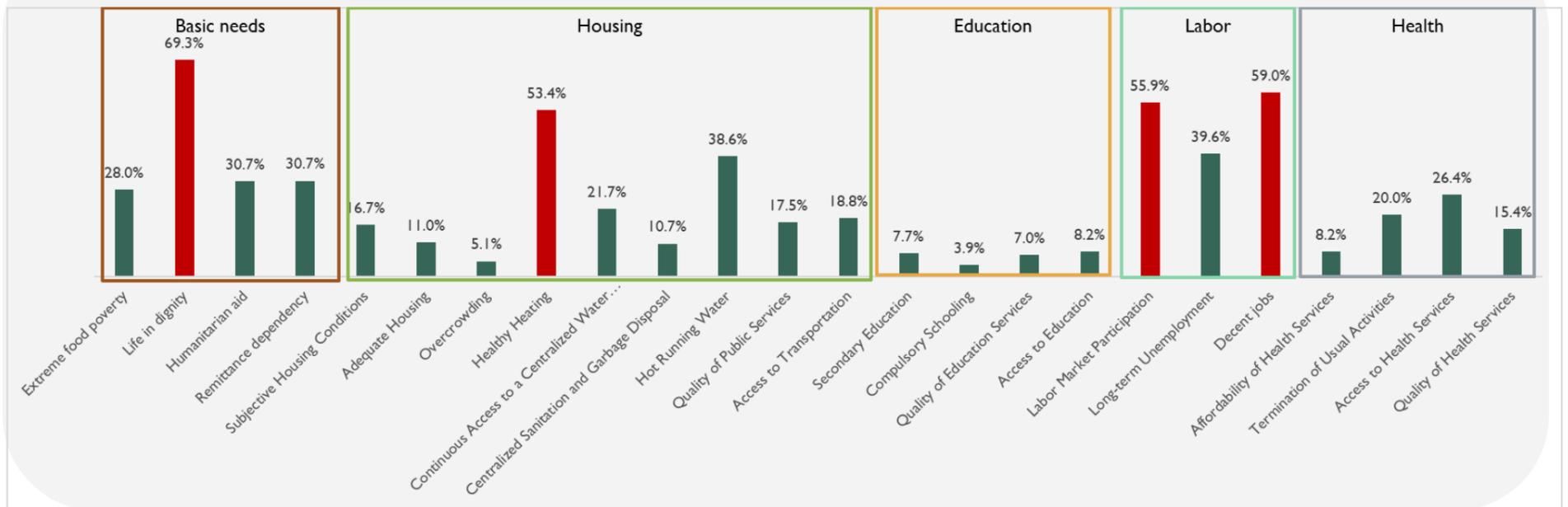


FACTSHEET: MULTIDIMENSIONAL POVERTY INDEX

Community-level research in the marzes of Lori, Shirak, and Tavush

MPI Dimensions by Indicators

Share of deprived households on overall three marz level



Conclusions & Recommendations

CONCLUSIONS

- MPI calculations at sub-national level are vital for Armenia as without these we could not see sharp differences between e.g. rural Tavush (22.2%) and urban Tavush (5.4%), urban Spitak (14.7%) and other urban communities.
- Lori region was the most deprived (71.3%) in respect to not having enough money for everyday meals and clothes. Spitak (80.1%) was the most deprived in respect to this indicator.
- 83.7% HHs in Spitak, 74.3% HHs in Ijevan could not afford meals with meat or vegetarian equivalent every second day.
- Above 80% of the HHs reported not being able to afford going for a week's annual holiday away from home (including stays in second dwelling or with friends/relatives).
- The three marzes, especially Lori, could benefit from trainings for citizens on
- Very few communities (in fact, less than 2.4%) reported being able to pay utilities "easily" or "very easily".
- Issues with Housing and Health prevail as main problems in the HHs across the marzes. Continuous access to a centralized water system was revealed to be more problematic for Lori (28.6%, with 30.6% for rural Lori) and Tavush (27.7%, with 40.9% for rural Tavush) than for Shirak (10%).
- Remittance dependency was higher in Ijevan, Tavush (both urban and rural) and Gyumri.
- Education is the domain that showed least deprivation.
- The labor market participation is one of the most important deprivation indicators for the three marzes. More than half of working age (15-75) individuals were not in the labor force (55.9%) and 39.6% were long-term unemployed.

RECOMMENDATIONS

- Rural Lori, rural Tavush and rural Shirak must be prioritized, among urban communities, Spitak has to be prioritized for multidimensional poverty reduction policymaking.
- Lori marz and Spitak in particular have to be prioritized for combating the problem of HHs not having money for everyday meals and clothes.
- To help Lori, Shirak and Tavush achieve life in dignity, public health nutrition has to be prioritized as an important public policy area and social entrepreneurship domain.
- The cultural life of the communities has to be enhanced. Social initiatives that could offer innovative solutions for organization of holidays especially in rural Lori, Shirak and Tavush, as well as Spitak, would be important to fight multidimensional poverty.
- Although paying utilities is a matter of monetary income, non-monetary aspects of utility management (understanding how various energy, waste, and water usage metrics impact HHs/businesses) could be important to the HHs in Lori, Shirak and Tavush.
- Healthy Heating and Hot Running Water are two most important housing issues to be prioritized across the marzes. As it is a case with nutrition, healthy heating can be yet another topic for public awareness raising .
- Any migration prevention programs can zoom in to the Ijevan, Tavush (both urban and rural) and Gyumri.
- The Ministry of Education, Science, Culture and Sports shall pay attention to the rural Shirak problem for access to education.
- Achieving labor participation would as help fight multidimensional poverty and poverty at large in Lori, Shirak and Tavush.



This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of CRRC-Armenia and do not necessarily reflect the views of the European Union.

Այս հրատարակումը պատրաստվել է Եվրոպական միության ֆինանսական աջակցությամբ: Բովանդակության համար պատասխանատվություն է կրում ՀՀԿԿ-Հայաստան հիմնադրամը, և պարտադիր չէ, որ այն արտահայտի Եվրոպական միության տեսակետները: