

Policy Dialogue on **Developing an Environmentally-adjusted Index for Multidimensional Poverty**

**May 25 2018
Lalitpur, Nepal**

Background

Poverty estimates that have traditionally focused on measures of household-level income and consumption have been central to poverty assessments globally, including Nepal. Nepal's first comprehensive poverty assessment was published in 1991, and was based on the Multi-Purpose Household Budget Survey conducted in 1984/85. Since then, National Living Standard Surveys (NLSS) have been conducted in 1995/96, 2003/04 and 2010/11 to monitor changes in poverty and what has driven them.

This year, the National Planning Commission published the Multidimensional Poverty Index Report. This report used the method developed by the Oxford Poverty and Human Development Initiative (OPHI) to measure poverty along three dimensions: education, health and living standards. This latest poverty assessment marks a significant shift in both how poverty is conceived and measured.

The Sustainable Development Goals (SDGs) aim to integrate environmental, economic and social dimensions of development. SDG 1 on ending poverty aims to eradicate poverty in all its forms and explicitly mentions the need to provide equal access to, and control over, natural resources to all, and to reduce the exposure of the poor to climatic and environmental hazards. This goal highlights the growing recognition that a holistic understanding of poverty, in all its dimensions, requires an appreciation of the importance of nature and ecosystem services (ES).

In this context, the proposed workshop aims to contribute towards ongoing study on the relationships between the natural environment and poverty. Conducted in collaboration between the Southasia Institute for Advanced Studies (SIAS), the Universities of Cambridge, Sheffield and Southampton, the UN Environment World Conservation Monitoring Centre, and the International Institute for Sustainability in Brazil, the work comprises two key components: (1) reviewing the conceptual and empirical basis for including the natural environment as a dimension of poverty and/or human wellbeing, and (2) assessing and developing ways of integrating the environment with multidimensional measures of poverty and wellbeing.

For the first component, the team has examined the role of the natural environment in the conceptual understanding of poverty, by analysing the extent to which the environment contributes to definitions of poverty and wellbeing¹. As part of the second component, the team has explored the methodological requirements for integrating the environment within multidimensional measures of poverty. Preliminary empirical analyses have focused on how environmental data could be integrated with measures of poverty and wellbeing in Brazil and Rwanda. We would now like to explore these topics within the Nepali context. This is particularly

important in the given context when the National Planning Commission has recently published Nepal's Multidimensional Poverty Index².

To gain a better understanding of these issues in Nepal, we would like to convene a half-day dialogue among prominent actors in Kathmandu on Thursday, 24 May 2018 with the following aims:

Aims of the Meeting

- Gain an overview of the different types of poverty measures used in Nepal, with a specific focus on measures of multidimensional poverty.
- Discuss the role of the natural environment for poverty in Nepal: What environmental aspects are particularly important for poverty and how are they related? What country-specific issues are important for a multidimensional poverty index that includes the environment, and what are the data needs for constructing such an index?
- Explore related work on poverty and environmental measures in Nepal and the key actors and stakeholders who are involved in this work.
- Explore the potential for future collaborations to develop a work programme in this area

Preliminary Agenda

Time	Session	Role
13:00 – 13:30	Arrival, registration and tea/coffee	SIAS
13:30 – 13:40	Opening and introduction	SIAS
13:40 – 13:55	Background to the workshop and study	Prof. Bhaskar Vira University of Cambridge, UK
13:55 – 14:10	Key features of Nepal's MPI	Suman Raj Aryal Director General - CBS
14:10 – 14:40	Insights from the study on environmentally-adjusted indicators for poverty in the SDG context	Johan Oldekop University of Sheffield, UK
14:40 – 16:00	Facilitated discussion*	Krishna Gyawali Research and Policy Advisor - SIAS Former Secretary - GoN
16:00 – 16:10	Remarks	Swarnim Wagle Former VC - NPC
16:10 – 16:20	Wrap up and vote of thanks	Netra P Timsina Chairperson - SIAS
16:20 –	High tea	

**Coffee will be served at desk.*

For More Details

<https://www.conservation.cam.ac.uk/Programmes/links-between-the-natural-environment-human-wellbeing-and-poverty>

[1] See the related publication: Schleicher et al. 2017. Poorer without it? The Neglected Role of the Natural Environment in Poverty and Wellbeing. *Sustainable Development* DOI: [10.1002/sd.1692](https://doi.org/10.1002/sd.1692)

[2] National Planning Commission, Government of Nepal, 2018. Nepal Multidimensional Poverty Index. http://www.npc.gov.np/images/category/Nepal_MPI.pdf

**Participation by invitation only.*