# National Multidimensional Poverty Index: NITI Ayog

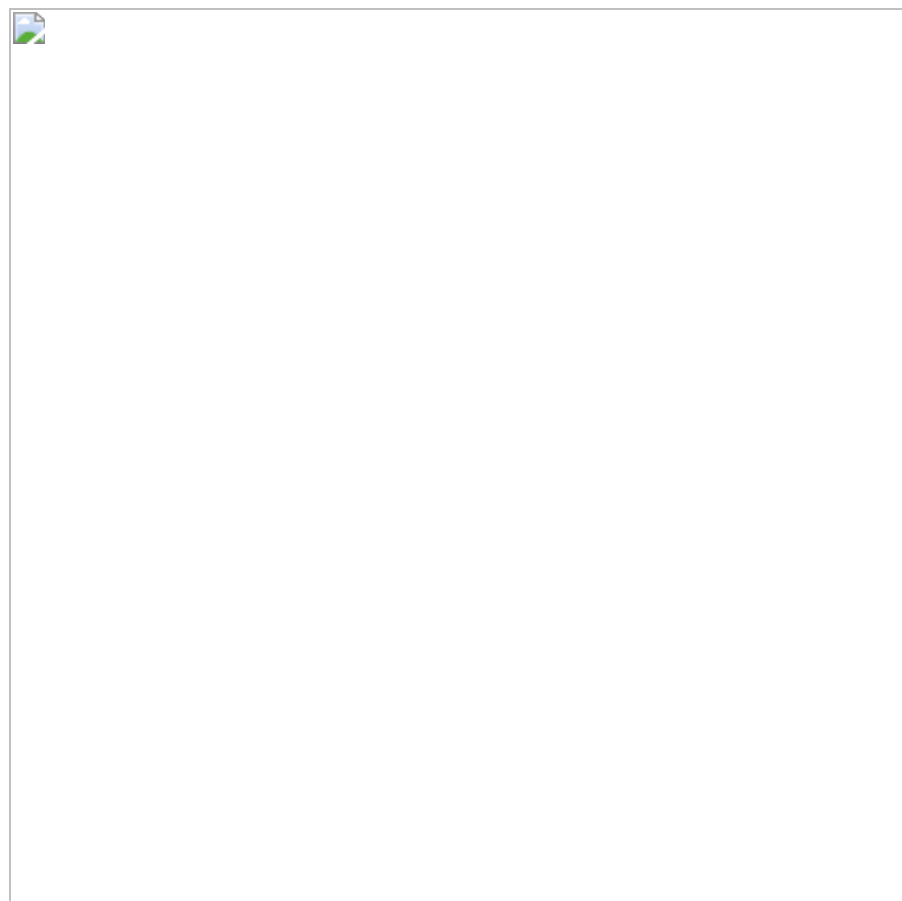## Why in News

Recently, **NITI Aayog** has released the **Multidimensional Poverty Index (MPI).**

Earlier, **Global Multidimensional Poverty Index** 2021 was released by the **United Nations Development Programme (UNDP)** and the Oxford Poverty & Human Development Initiative (OPHI).

## Key Points

- **About:**
  - The MPI **seeks to measure poverty** across its multiple dimensions and in effect complements existing poverty statistics based on per capita consumption expenditure.
  - According to **Global MPI 2021,** India's rank is 66 out of 109 countries. The National MPI is aimed at **deconstructing the Global MPI** and creating a globally aligned and yet customised India MPI for drawing up comprehensive Reform Action Plans with the larger goal of improving India's position in the Global MPI rankings.
  - It has **three equally weighted dimensions** – health, education, and standard of living.
    - These three dimensions are **represented by 12 indicators** such as nutrition, school attendance, years of schooling, drinking water, sanitation, housing, bank accounts among others.
- **Methodology & Data:**
  - The national MPI measure **uses the globally accepted and robust methodology** developed by the **Oxford Poverty and Human Development Initiative (OPHI)** and the **UNDP.**
  - This baseline report of the **national MPI measure** is based on the reference period of 2015-16 of the **National Family Health Survey (NFHS-4)**.
    - **NFHS-4** data has been used to derive an idea of baseline multidimensional poverty **to know the situation on ground before the full rollout of various central government schemes.**
    - NFHS-4 **precedes the full roll out of (central government's) flagship schemes** on housing, drinking water, sanitation, electricity, cooking fuel, financial inclusion, and other major efforts towards improving school attendance, nutrition, mother and child health, etc.
    - However, it has to be noted here that the **NFHS-5 data suggests improvement** in access to clean cooking fuel, sanitation, and electricity which translates to reduction in deprivation.
- **Findings of the Index:**
  - **Poverty Levels:**
    - **Bihar has the highest proportion of people** of the state's population followed by Jharkhand and Uttar Pradesh who are multidimensionally poor.
    - **Kerala registered the lowest population poverty levels**, followed by Puducherry, Lakshadweep, Goa and Sikkim.
  - **Malnourished People:**
    - **Bihar also has the highest number of malnourished people** followed by Jharkhand, Madhya Pradesh, Uttar Pradesh, and Chhattisgarh.

- **Significance of the Index:**
    - **Contribution towards Instituting Public Policy Tool:**
        The development of the Index is an important contribution towards **instituting a public policy tool** which monitors multidimensional poverty, informs evidence-based and focused interventions, thereby ensuring that **no one is left behind.**
    - **Presents Overall Picture of Poverty:**
        This presents an overall picture of poverty in the country, while also **enabling closer and more in-depth analyses of areas of interest such as regions – state or districts,** and specific sectors and complements the existing monetary poverty statistics.
    - **Help Achieving SDGs Goals:**
        It is a **contribution towards measuring progress** towards target 1.2 of the **Sustainable Development Goals (SDGs)** which aims at reducing "at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions.

- **Related Government Initiatives:**
  - **National Rural Livelihood Mission (NRLM)**
  - **The Mahatma Gandhi National Rural Employment Guarantee Act 2005 (MNREGA)**
  - **Pradhan Mantri Awaas Yojana-Gramin (PMAY-G)**
  - **Public Distribution System (PDS)**
  - **Pradhan Mantri Awas Yojana (PMAY)**
  - **Jal Jeevan Mission (JJM)**
  - **Swachh Bharat Mission (SBM)**
  - **Pradhan Mantri Sahaj Bijli Har Ghar Yojana (Saubhagya)**
  - **Pradhan Mantri Ujjwala Yojana (PMUY)**

**Source: TH**