

Operationalising the poverty focus for Swiss Development Cooperation-Bangladesh

1. Background, objectives and context

This note provides a short guide on how the Swiss Agency for Development and Cooperation in Bangladesh (SDC-B) conceptualises, targets, monitors and measures poverty. It summarises the results of a 2016 exercise undertaken by SDC in Bangladesh with their partners to reconsider and operationalise the poverty focus of their work. The aim of the exercise was for SDC-B and partners to arrive at a shared understanding of poverty in Bangladesh, move towards agreed measures and methodologies for identifying people to work with, and to establish agreed meanings and measures of the changes in their lives to be measured.

This briefing note:

- reviews the **context** for SDC's operations in Bangladesh
- sets out **concepts** of poverty, inclusion and related meanings of terms like marginalisation and disadvantage
- describes an approach to **targeting** or identifying the people to work with
- discusses means of **monitoring** and **measuring change** in those people's lives.

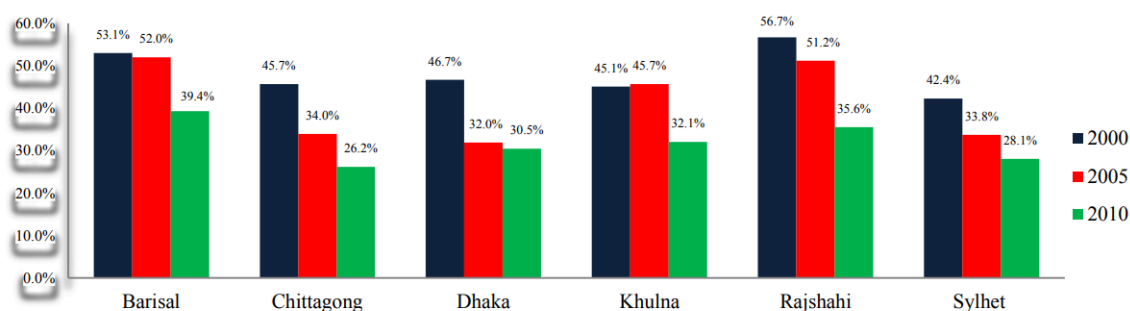
Context¹

Poverty and its alleviation are at the core of SDC's mandate, and the overall goal of Swiss development cooperation in Bangladesh is:

to contribute to the transformation of Bangladesh into a more equitable and just society that enjoys inclusive and sustainable growth. (Swiss Cooperation Strategy Bangladesh 2018-2021).

Bangladesh has made significant, sustained progress to reduce income and human poverty (see Table 1 and Figure 1). At the time this note was written, it was estimated that extreme poverty levels (% of population living below the lower poverty line) probably declined to 13%, and the population living in poverty (below the upper poverty line) to 25%. Despite rapid progress and Bangladesh's achievement of middle income status, 40 million people still lived below the national poverty line (GED 2015).

Figure 1. Poverty reduction (% below upper poverty line) across regions, 2000-2010



Source: World Bank (2013) *Bangladesh - Poverty Assessment : Assessing a Decade of Progress in Reducing Poverty, 2000-2010*

Table 1. Selected human development indicators, 1971–2011

Human development indicators	1971	1981	1991	2001	2011
GNI per capita, PPP (current international \$)			890	1420	2780
Adult literacy rate, population 15+ years, both sexes (%)		29	35	47	
Mortality rate, under-5 (per 1,000)	223	194	138	84	47
Pregnant women receiving prenatal care (%)				40	55
Life expectancy at birth, male (years)	48	56	61	66	69
Fertility rate, total (births per woman)	7	6	4	3	2

Source: World Development Indicators (CC BY 4.0), accessed 23 December 2015.

Poverty reduced faster in the western half of the country compared to the east, although it remains concentrated in the historically poor northwest (Rajshahi) and in areas most exposed to climate change in the south -Barisal and Khulna (see Figure 1). During the 2000s, poverty reduction was mainly due to increases in labour income, demographic change, the shift from agricultural wage labour to off-farm occupations and salaried jobs, and higher education and productivity levels (World Bank 2013).

¹ With regards to the statistics provided in this section, please be aware that this piece of work was originally conducted in 2016

Women's participation in the labour force increased to around one-third, but was still low by international comparison (World Bank 2013), probably due to the heavy burden of household work (Huq 2015). Economic growth was crucial for higher incomes but public services and NGO programmes have helped, protecting people against shocks and building their productive capabilities (Asadullah, Savoia, and Mahmud 2014).

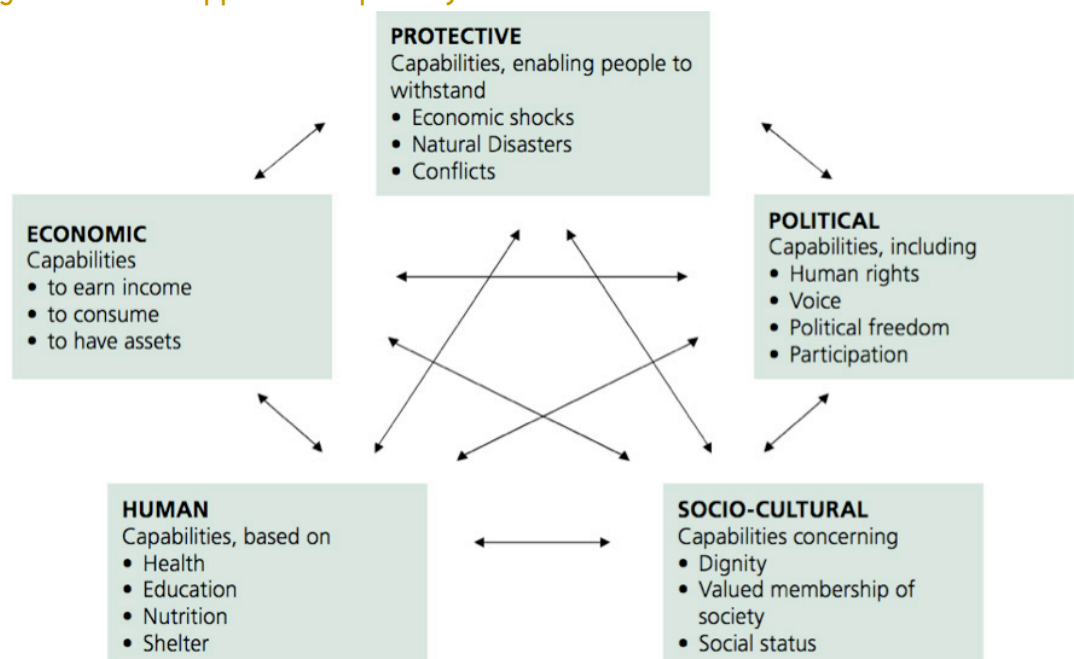
Vulnerability remained a major concern, as shocks or seasonal factors frequently push people below the poverty line (Davis and Baulch 2011)(Sen 2003) (World Bank 2013, xxi). Areas in the Bay-facing south and parts of central and northern Bangladesh are particularly vulnerable to climate change-related shocks, and the poor who suffer most tend to be least well prepared to cope (Akter and Mallick 2013; Brouwer et al. 2007). The growing dominance of a single party at the national level is now being felt at the local level. This is relevant to work on local governance because of the impacts on accountability, and the related challenge to support pro-poor and inclusive local governance.

2. Concepts of poverty and inclusion

SDC on multidimensional poverty

SDC draws on the OECD/DAC “capabilities” approach to poverty, recognising it as a multi-dimensional phenomenon, featuring a lack of capacities in economic or material, human, socio-cultural and political and protective domains of life (Alkire 2005) (see Figure 2). SDC emphasises people-centered conceptions of poverty, with attention to inequality, power relations, and to the complexity and diversity of local realities. While social exclusion, often through political and economic marginalisation of social or ethnic or other minority groups, is often associated with poverty, many people are included on unfair or adverse terms – are exploited within their society. The SDC approach to poverty gives a framework for a common understanding which can be further curtailed to the realities of different contexts in recognition of the diverse and multi-dimensional nature of the problem.

Figure 2. SDC's approach to poverty



Source: SDC (2016) [Poverty brief understanding poverty](#)

SDC-Bangladesh's poverty concept

SDC-Bangladesh has adopted a similarly multi-dimensional concept of poverty to inform its work, and to help it identify which people to reach through its programmes. SDC works to improve the wellbeing of people who experience **material (or economic) poverty** from low incomes and low assets and because they face **human poverty** because they lack the physical health, education, skills, or **other capacities** to benefit from economic development. This group is represented by the pink oval in Figure 3 (below).

SDC also recognises that:

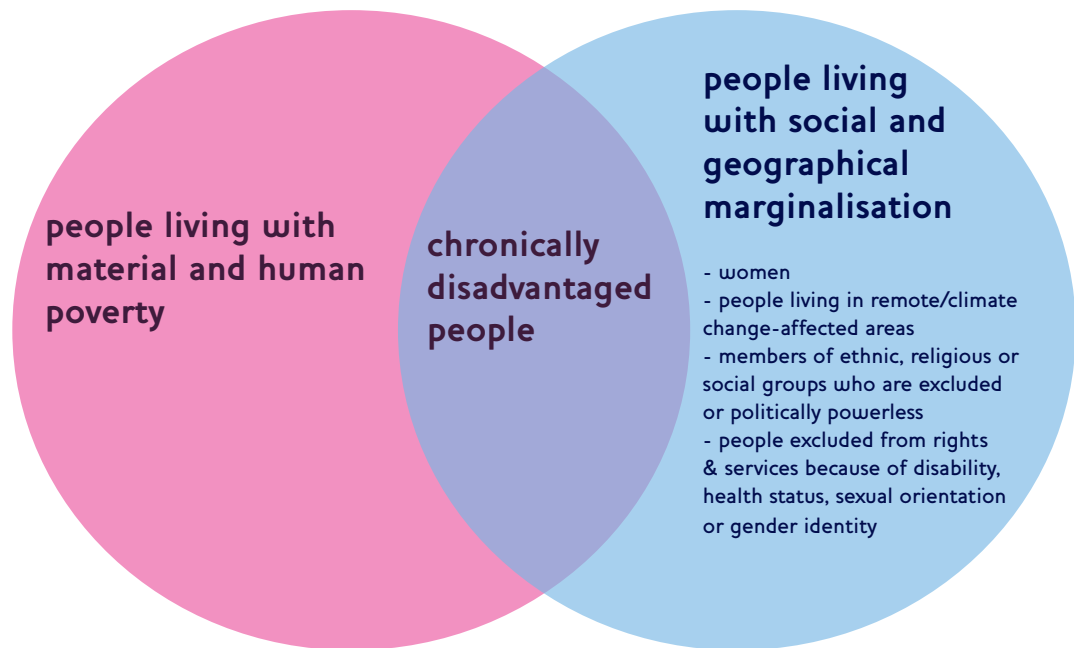
- people can be excluded because of their gender or other forms of discrimination; and that
- religious and ethnic minorities and other groups such as the disabled may face social and political exclusion, a lack of voice and recognition, and be exploited in markets.

Where people live or their social identity may determine whether they have access to protection against the kinds of shocks and disasters that people in particular parts of Bangladesh frequently face. These groups of people suffer from **social and geographical marginalisation**, and are represented by the blue oval on the Figure 3.

SDC-B conceptualises its approach to poverty as being to change market, social and political relations and structures to be more inclusive and pro-poor. This is because although **material and human poverty** and **social and geographical marginalisation** are tough enough conditions in their own right, they overlap for a large number of Bangladeshis, combining to keep people poor or push them into poverty, even under conditions of broad-based growth and progress on human development. SDC gives priority to people experiencing overlapping characteristics of poverty and exclusion or marginalisation. The purple space between the pink and blue circles represents people who face these multiple, interlocking and lasting forms of **chronic disadvantage**.

Gender inequality cuts across all forms of poverty and exclusion. To conceptualise and operationalise the gendered dimensions of poverty and exclusion, it is also necessary to make sense of how women's unpaid care work (or reproductive labour) affects their mobility and capacities to participate in markets or local governance; the use of goods and services made available through market and skills development; and the wider impacts on women and girls. Economic and climate-induced migration also expose women to additional risks. Closer attention to how programmes affect the foundations of gender inequality will enable SDC to avoid potential adverse impacts, and identify the full range of positive, transformative impacts of their operations on poor and marginalised women's lives.

Figure 3. Conceptual framework for SDC-Bangladesh



3. Targeting

Identifying the chronically disadvantaged people

It is crucial to distinguish clearly between **concepts, definitions and meanings** of poverty, and indicators for identifying poverty for **targeting, monitoring or measurement**. Poverty has many dimensions, and can be identified or measured using a range of indicators.

This is important to note because indicators can be difficult, time-consuming or costly to gather information about, and so are not always ideal for identifying poverty or exclusion.

There are many possible indicators for targeting, and projects should identify the set that:

- is most robust, or most reliably and consistently identifies the people the project seeks to benefit
- is most cost-effective, or adds least to the cost of project management and M&E
- fits best with partners' expertise and M&E capacities,
- meets SDC-B's and partners' agreed understand of who are poor and excluded.

For example, low income is an aspect of being poor, but it is not the only one. It can be difficult and expensive to gather the data about income or expenditure needed to know whether or not people fall below poverty lines. Not only that, relying on poverty lines can lead to a false sense of objectivity and rigour if the income data they depend on are weak. So income-expenditure data and poverty line analyses should be undertaken only if and when projects need to report income data for other reporting or impact assessment purposes. Other projects use non-income indicators, for which they collect data using relatively inexpensive but technically skilled qualitative or participatory methods, as appropriate for their operational approach, sector and expertise. So

long as SDC partners and staff share understandings of what poverty means, and meet standards of rigour and quality in their measures of poverty and approaches to targeting, good practice means using measures that work best for their specific locations and operational realities.

To a great extent, people experiencing geographical marginalisation are identified before the process of identifying the poor starts, as these are determined by remote location or exposure to climate change effects. Other groups, in particular ethnic and religious minorities may be verified from their names or locations. People living with disabilities may be identified through participatory exercises at the community level, although some Union Parishads now collect such information themselves.

Figure 4. Stages of targeting

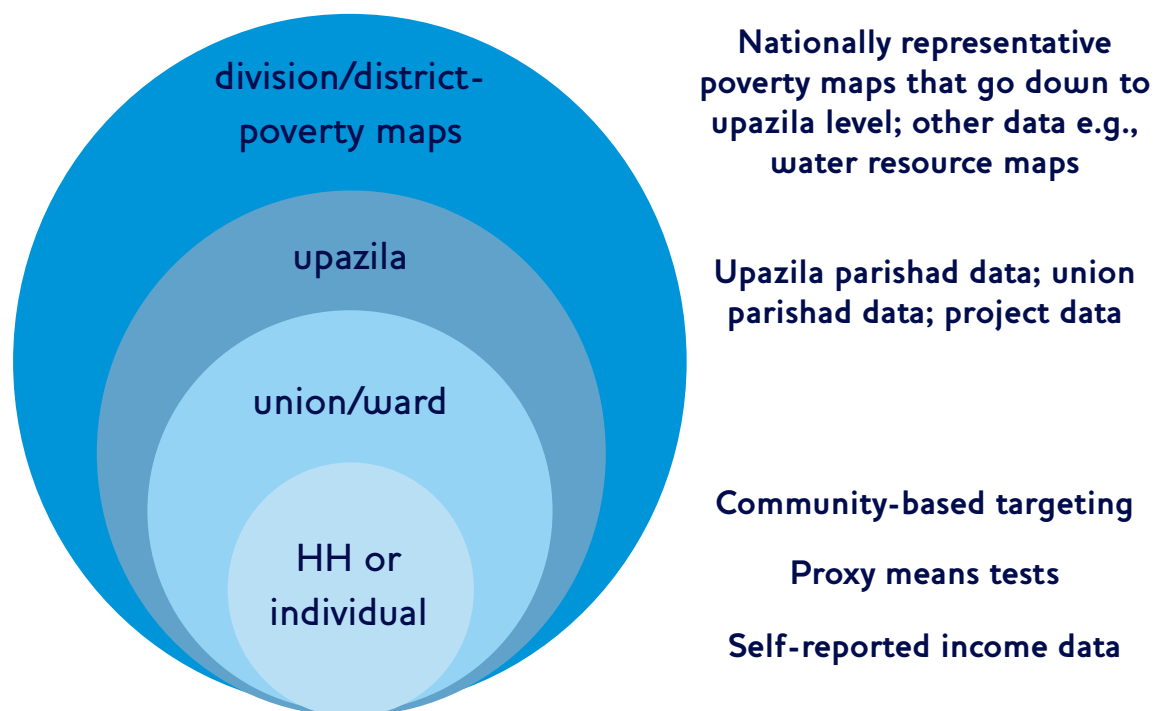


Figure 4 outlines the stages involved in targeting. National or regional poverty and natural resource data and other local knowledge are rigorous and appropriate measures for **targeting poor areas**.

The first stage in **targeting individual people**, and therefore the basis for measuring impact or changes in their lives, would be to identify people living with poverty based on **one or more** of the following:

- community-based targeting, wealth or wellbeing ranking etc.
- proxy means tests or poverty scorecards
- income or consumption surveys, where changes in income must be measured to meet reporting requirements. Such data collection exercises should be used minimally, as they are costly, time-consuming and prone to inaccuracy.
- use of indicators of human poverty to do with lack of access to basic services such as education, health or shelter, often identifiable from basic social profiles.

4. Monitoring and measuring change

As with targeting, changes in the lives of people living with poverty and exclusion may be measured and monitored using those tools that are most appropriate to the project's goals, the partner staff capacities, to existing project Management Information System and Monitoring & Evaluation (M&E) systems, so long as they fall within SDC's concept of poverty.

SDC aims to tackle poverty by bringing about changes to market, social and political relations and structures that make them more inclusive and pro-poor. These changes can be measured:

- at different levels, from individual and household, to community, union, market, sub-district
- in different domains, including
 - » economic (skills, employment, incomes, assets, access to markets)
 - » social (social respect and dignity, equal participation in public life, freedom from violence)
 - » political (natural resource governance, budgetary allocations, public office)
 - » environmental (protection against disasters, access to natural resources)
- using different approaches and tools, including household income-expenditure surveys, proxy means tests, participatory community wealth ranking, beneficiary assessments, focus group discussions, case studies of significant change episodes, mapping exercises, and so on.

Where the purpose of identifying the poor and monitoring progress does not require measurement of changes in income, there is no necessity to measure income. Participatory wealth- and wellbeing-ranking exercises that are facilitated to a high standard by trained field staff, and subjected to frequent quality control by partners' head office, are adequate for identifying the poor, may yield more accurate multi-dimensional assessments of poverty, and may make sense from a project implementation perspective. However, particular efforts must be made to ensure that marginalised groups are not excluded by economically poor Muslim majorities.

SDC intends to monitor and measure change by disaggregating outreach and results, making explicit counts of total beneficiaries and, among them, the number or proportion of:

- women,
- (economically) poor and
- (chronically) disadvantaged among them.

Indeed by disaggregating outreach results SDC wants to ensure that it is reaching out to the people it primarily intends to benefit. The disaggregation of results at the levels of markets, social and political systems and policies is not always possible in quantitative ways. However a qualitative monitoring of these interventions shall state

in how far those systems and policies become more pro-poor and inclusive.

Resources are listed below to support with the selection of appropriate indicators and tools for monitoring and measurement of change.

Resources

■ [SDC in Bangladesh](#)

Concepts of poverty

- ['What is Poverty? Concepts and Measures'](#) *Poverty in Focus* briefing by the International Poverty Centre at the UNDP – a nice summary from key thinkers
- ['Poverty and Social Exclusion in North and South'](#) (Editorial) - interesting brief discussion of meanings of poverty and social exclusion in different contexts
- ['The Definitions of Poverty' discussing multiple dimensions, often using participatory approaches.](#) From the World Bank's *Voices of the Poor* report, Vol. 1.

Measuring poverty

- ['How Poverty is Measured'](#), World Bank (3 minute video)
- ['How should we measure poverty'](#) ODI blog series – a very nice series of short blogs discussing the pros and cons of different approaches to poverty measurement
- [Methods Toolbox](#) by the Chronic Poverty Research Centre – offers some useful tools for measurement, research, evaluation etc Chronic
- ['Simple Poverty Scorecard Poverty Assessment Tool Bangladesh'](#) - Example of a poverty scorecard developed for use in Bangladesh; see also the [Poverty Probability Index \(Bangladesh\)](#)

Poverty in Bangladesh

- ['Bangladesh Poverty Assessment: A Decade of Progress in Reducing Poverty, 2000-2010'](#) - detailed authoritative analysis of poverty in Bangladesh since 2000
- [CPRC research on Bangladesh carried out in partnership the Bangladesh Institute of Development Studies](#) - interesting older studies of poverty in Bangladesh
- [EEP/Shiree Working Papers](#) covering extreme poverty, disadvantage, targeting, marginalisation

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Notes

- 1 This Briefing Note was written in 2016 by Naomi Hossain of the Institute of Development Studies (IDS), UK. (contact: n.hossain@ids.ac.uk)
- 2 The divisional structure has changed since the last published poverty assessment (2010), so that the divisional distribution of poverty will be different in future.
- 3 On average, women and girls do four times more household work and care-giving than men if they are not in paid work, and 2.5 times more if they are. See Huq (2015).

This Collaboration between SDC and the Institute of Development Studies explores how poverty relates to politics and power. It is supporting SDC staff in improving the quality and effectiveness of SDC processes and operations focused on poverty. The Collaboration uses an 'organisational learning and change' approach to accompanying SDC activities, which is reflective, demand-based and rooted in the realities of SDC's work. It runs until June 2019.

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