



## Progress towards the Millennium Development Goals, 1990-2005

### Goal 1. Eradicate extreme poverty and hunger

The first Millennium Development Goal calls for eradicating extreme poverty and hunger. Progress is assessed against the target of halving the proportion of people living in extreme poverty and those suffering from hunger between 1990 and 2015.

[How the indicators are calculated](#)

#### Target 1. Halve, between 1990 and 2015, the proportion of people living in extreme poverty

#### Reductions in poverty are dramatic in Eastern Asia, while sub-Saharan Africa becomes poorer

Estimates of poverty rates released by the World Bank in 2004 for the years 1981 to 2001 show that global trends in poverty reduction have been dominated by the rapid economic growth of China and Eastern Asia. There, the gross domestic product (GDP) per capita more than tripled and the proportion of people in extreme poverty fell from 56 per cent to 17 per cent over two decades. Southern Asia also experienced a long-term drop in poverty rates in the last 20 years, with the number of people in extreme poverty dropping by almost 50 million. But in sub-Saharan Africa, where GDP per capita fell by 14 per cent, the poverty rate rose from 41 per cent in 1981 to 46 per cent in 2001, and the number of people living in extreme poverty increased by more than 140 million. Growing numbers of people in this region have found few productive opportunities, agriculture has stagnated, and the AIDS epidemic has taken a brutal toll on young adults in their most productive years.

#### Poverty indicators

Extreme poverty in the context of the MDGs is measured in monetary terms, against a threshold of about \$1 a day, standardized across countries for comparable purchasing power. This has been determined to be the monetary equivalent of the minimum a person needs to survive. Progress in poverty eradication is also tracked through the poverty gap ratio, which reflects the depth of poverty as well as its incidence. The poverty gap ratio is obtained by multiplying the percentage of people below the poverty line by the difference between the poverty line and their average consumption.

In the early 1990s, the transition economies of Central Asia experienced a sharp drop in income. Poverty rates rose at the end of the decade before beginning to recede. Other regions have seen little or no change in poverty rates.<sup>1</sup>

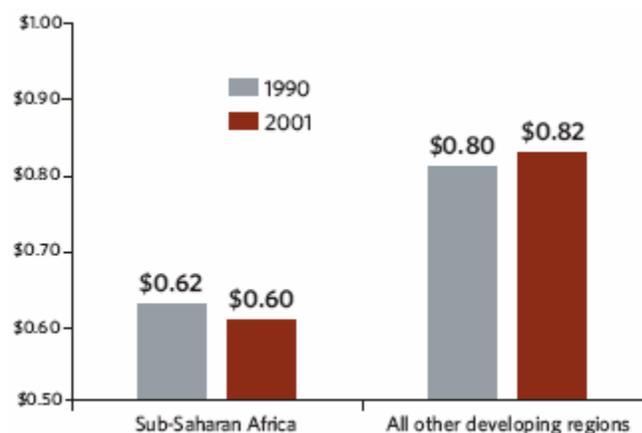
**Table 1. Extreme poverty, 1990-2001**

	Proportion of population living on less than \$1 a day (per cent ) <sup>a/</sup>	
	1990	2001
Developing regions	27.9	21.3
Northern Africa and Western Asia	2.2	2.7
Sub-Saharan Africa	44.6	46.4
Latin America and the Caribbean	11.3	9.5
Eastern Asia	33.0	16.6
Southern Asia	39.4	29.9
South-Eastern Asia and Oceania	19.6	10.2
Commonwealth of Independent States	0.4	5.3
Transition countries of South-East Europe	0.2	2.0

a/ Only low and middle-income economies are represented. Countries and other entities are classified by the World Bank as low-income if their gross national income per capita in 2001 was \$745 or less, measured by the World Bank Atlas method (<http://www.worldbank.org/data/aboutdata/working-meth.html>); the cut-off for middle-income countries is \$9,205.

Source: World Bank, PovcalNet, Internet site, <http://research.worldbank.org/PovcalNet/jsp/index.jsp>. The World Bank's estimates use unit record household data whenever possible while PovcalNet uses grouped distribution (deciles or quintiles). As a result of this difference, there are some discrepancies between online replications and the Bank's estimates, such as in the *World Development Indicators 2004* (Washington, D.C.). Country data are available at <http://millenniumindicators.un.org>.

**Figure 1. Average income of people living on less than \$1 a day, 1990 and 2001**



In most regions, the average daily income of those living on less than \$1 a day increased only marginally in the 1990s.

Worse, the average income of the extremely poor in sub-Saharan Africa declined (see Figure 1). Reversing this negative trend requires both faster economic growth and more benefits that reach the poor.

#### *The gender dimension*

Using \$1 a day or less as a measure of poverty is based on income or consumption data for an entire household. A full understanding of the gender dimension of poverty is not yet possible using this type of data. However, when an analysis of resource allocation within a household was attempted, results showed differences in access to resources and in consumption by sex and age. Households headed by women face many obstacles to equal income and employment opportunities. Women also generally earn less than men, perform more unpaid work and have lower access to and control of resources.

## Target 2. Halve, between 1990 and 2015, the proportion of people who suffer from hunger

Minimal standards of nutrition are the cornerstone for survival, health and development for current and future generations. They are also an integral aspect of poverty reduction by improving labour productivity and the earning capacity of individuals.

Properly nourished children learn more easily, grow into healthy adults and, in turn, give their children a better start in life. Adequate nutrition is particularly important for the health of women during pregnancy and after childbirth and to ensure the physical and mental well-being of their children. Governments seeking to accelerate economic development in a sustained way need to ensure that their countries' children are healthy.

The availability of food is a precondition for adequate nutrition. But it is not sufficient in itself, since malnutrition results from a combination of factors. Physical and economic access to food must also be addressed, along with food safety.

### Hunger and nutrition indicators

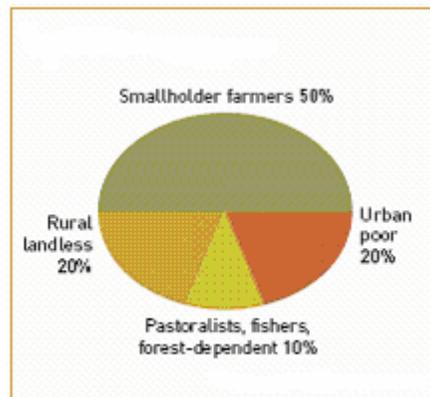
The hunger target is monitored on the basis of two indicators: the first refers to the minimum food consumption a person needs to lead a normal and healthy life and is based on data on food availability and inequality in access to food. The second refers to child malnutrition, measured as low weight-for-age on the basis of child weight in an international reference population.

## Over 800 million people suffer from food deprivation

Estimates for 2000-2002 from the Food and Agriculture Organization of the UN (FAO) indicate that 17 per cent of the population in developing regions – some 815 million people – are undernourished. This is defined as food consumption insufficient to meet minimum levels of dietary energy requirements.

Hunger concentrates among the landless or farmers whose plots are too small to provide for their needs. The vast majority of the world's hungry live in rural areas and depend on the consumption and sale of natural products for both their income and food. But it is also evident that hunger is a growing problem in burgeoning urban slums, which are now home to more than 40 per cent of urban inhabitants in developing countries (see Figure 2).

**Figure 2. Who the hungry are**



Source: FAO, *The State of Food Insecurity in the World, 2004*

Progress on hunger has been slow over the last decade. The proportion of undernourished adults in developing regions dropped from 20 per cent in 1990-1992 to 17 per cent in 2000-

2002 (see Table 2). But this change mainly reflects progress made in Eastern and South-Eastern Asia. In other developing regions, such as sub-Saharan Africa and Southern Asia, the proportion of undernourished people decreased, though the numbers of hungry people grew. Both the number and share of undernourished people increased in Western Asia. In absolute terms, the number of undernourished people in the developing world fell by just 9 million over this period.

**Table 2. Undernourishment in the developing regions, 1990-2002**

	Number of people undernourished (millions)		Percentage population undernourished	
	1990-1992	2000-2002	1990-1992	2000-2002
Developing regions	824	815	20	17
Northern Africa	5	6	4	4
Sub-Saharan Africa <sup>1/</sup>	170	204	36	33
Latin America and the Caribbean	60	53	13	10
Eastern Asia	199	152	16	11
Southern Asia	302	317	25	22
South-Eastern Asia	78	66	18	13
Western Asia <sup>2/</sup>	9	17	7	10
CIS, Asia	11 <sup>3/</sup>	17	16 <sup>3/</sup>	23
CIS, Europe	8 <sup>3/</sup>	7	4 <sup>3/</sup>	4
Other transition countries in Europe <sup>4/</sup>	4 <sup>3/</sup>	4	3 <sup>3/</sup>	3
Landlocked developing countries	-	110	-	33
Small island developing states	9	8	25	19
Least developed countries	198	244	38	36

<sup>1/</sup> Excluding South Africa.

<sup>2/</sup> Excluding Israel.

<sup>3/</sup> Data refer to the period 1993-1995.

<sup>4/</sup> Includes: Transition countries of South-East Europe (Albania, Bosnia and Herzegovina, Bulgaria, Romania, Serbia and Montenegro, The former Yugoslav Republic of Macedonia) and other European countries (Croatia, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, Slovenia).

Source: United Nations Statistics Division, "World and regional trends", Millennium Indicators Database, available from <http://millenniumindicators.un.org> (accessed June 2005); based on data provided by the Food and Agriculture Organization of the United Nations.

Hunger trends for countries in transition are assessed over the period 1993-1995 to 2000-2002. An increase in the number and proportion of undernourished people was particularly evident in CIS countries in Asia, where 23 per cent of the population, or 17 million people, went without sufficient food in 2000-2002.

Following the collapse of the Soviet Union in 1991, hunger became a growing concern in the majority of new countries. Economic transition was accompanied by far-reaching political and administrative changes that disrupted trade and exchange relations and led to serious shortages in foreign currency. In addition, there was a breakdown in agricultural production and marketing systems.

The other transition economies in Europe (non-CIS countries, see note 4 to Table 2) did not experience the same problems, although there are a few cases where the prevalence of undernourishment either rose or was still significant in 2000-2002.

## **An agenda for food security**

At the current rate of progress (an annual reduction of 1.8 percentage points in the proportion of people undernourished), the target of halving the proportion of people who suffered from hunger in 1990 will not be met by 2015. Moreover, the situation appears to be getting worse, not better, with an annual reduction rate of only 1.1 percent in the last five years for which data are available.

The pattern of change in developing countries as a whole is negative. From 1990-92 to 1995-97, the number of people going hungry decreased by about 27 million. However, from 1995-97 to 2000-02, it increased by about 18 million, wiping out two thirds of the progress made early in the decade.

In China, the annual reduction rate in the number of undernourished people was almost 11 times higher in the first part of the decade— 5.7 per cent, down to 0.5 percent in the latter. Slow progress in heavily populated India was largely responsible for the shift in the developing world as a whole from a decreasing to an increasing trend in the number of undernourished.

Public investment in infrastructure, agricultural research and education is needed to stimulate private investment, agricultural production and resource conservation. But public expenditures for agriculture and rural development in developing countries do not reflect the importance of the sector to national economies or to people's livelihoods. In fact, government spending on agriculture comes closest to matching the economic importance of the sector in those countries where hunger is least prevalent. Moreover, official development assistance (ODA) to agriculture and physical infrastructure has diminished. More support for these two sectors will be required if countries are to be expected to feed their own people and build their economies.

According to FAO's estimates, the cost of action to accelerate progress towards the MDG and World Food Summit goal would amount to \$24 billion a year in public investment, along with additional private investment. This, according to FAO, would lead to a boost in GDP of \$120 billion a year as a result of longer, healthier and more productive lives for several hundred million people freed from hunger.<sup>2</sup>

More than 30 countries, representing nearly half the population of the developing world, have proven that rapid progress is possible. This successful group of countries – which reduced hunger by at least 25 per cent in the last decade – is striking for several reasons. First, every developing region is represented, not only those that experienced rapid economic growth. Second, many of these countries have experienced better than average agricultural growth. Within this group of over 30 countries, agricultural GDP increased at an average annual rate of 3.2 percent, almost one percentage point faster than for developing countries as a whole. Third, several of these countries have also led the way in implementing a twin-track strategy to attack hunger as recommended by the FAO Anti-Hunger Programme. The strategy emphasizes the strengthening of social safety nets to put food on the tables of those who need it most, while attacking the root causes of hunger with initiatives to stimulate food production, increase employment opportunities and reduce poverty. In some cases, as in Brazil's Zero Hunger Programme, where food for school lunch programmes and other safety nets is being purchased from local small and medium-sized farms, the two tracks can be brought together in a virtuous circle of better diets, increased food availability, rising incomes and improved food security.

## Child malnutrition is declining, but not fast enough

Over 150 million children under five in the developing world are underweight – a factor contributing to over half of all child deaths worldwide. Malnourished children have lowered resistance to infection. Consequently, they are more likely to die from common childhood ailments such as diarrhoeal diseases and respiratory infections. For those who survive, frequent illness saps their nutritional status, locking them into a vicious cycle of recurring illness and faltering growth.

In the developing regions, the proportion of underweight children dropped from 33 per cent in 1990 to 28 per cent in 2003, with significant advances in some very poor countries. Still, progress is too slow to meet the MDG target or to restore normal lives to the millions of children who are currently undernourished.

The largest advances were achieved in Eastern Asia, where the proportion of underweight children was nearly cut in half. This accomplishment was mainly due to advances made by China. Substantial improvements were also made in Latin America and the Caribbean – a region with already low levels of underweight prevalence – where rates declined by more than a quarter (from 11 per cent to 7 per cent). South-Eastern Asia also experienced substantial improvements, with rates declining from 38 per cent to 29 per cent (see Table 3).

Southern Asia continues to suffer from staggeringly high levels of child malnutrition, with close to half of all under-five children underweight. In sub-Saharan Africa, there has been little or no change over the period 1990-2003, and nearly a third of all children under five are underweight. Because of population growth, the number of malnourished children in sub-Saharan Africa has actually increased from 29 million to 37 million over the period 1990 to 2003.

**Chart 1. Countries where over 30 per cent of children under five are underweight**

Percentage of children 0-4 years who are moderately or severely underweight, 1997/2003

Nepal	48.3
Afghanistan	48.0
Bangladesh	47.7
Ethiopia	47.2
India	47.0
Yemen	45.6
Cambodia	45.2
Burundi	45.1
Timor-Leste	42.6
Lao People's Democratic Republic	40.0
Eritrea	39.6
Niger	39.6
Pakistan	38.0
Myanmar	35.3
Burkina Faso	34.3
Mali	33.2
Madagascar	33.1
Viet Nam	33.1
Mauritania	31.8
Democratic Republic of the Congo	31.1
Philippines	30.6
Angola	30.5
Maldives	30.4

Source: United Nations Statistics Division, Millennium Indicators Database, available from <http://millenniumindicators.un.org> (accessed June 2005); based on data provided by United Nations Children's Fund and the World Health Organization.

**Table 3. Children under five who are moderately or severely underweight, 1990-2003**

	Children under five who are moderately or severely underweight <sup>1/</sup> (percentage)	
	1990	2003
Developing regions	33	28
Northern Africa	10	8
Sub-Saharan Africa	32	31
Latin America and the Caribbean	11	7
Eastern Asia	19	10
Southern Asia	53	47
South-Eastern Asia	38	29
Western Asia	11	10

1/ Children under five falling below minus 2 standard deviations from the median weight-for-age of the reference population.

Source: United Nations Statistics Division, "World and regional trends", Millennium Indicators Database, available from <http://millenniumindicators.un.org> (accessed August 2004); based on data provided by United Nations Children's Fund and the World Health Organization.

#### *The gender dimension and urban/rural disparities*

Data from 118 countries show that there is little difference in malnourishment between boys and girls. In fact, in most countries, boys are slightly more likely to be underweight than girls, probably due to biological differences. In some countries, however, mainly in Asia, this pattern is reversed. In Southern Asia, 46 per cent of girls are underweight while boys' rate is 43 per cent.

In most countries, rural children, in comparison to their urban counterparts, tend to be underweight. On average, the underweight prevalence rates are more than one and a half times higher in rural areas than in urban areas, highlighting the need for greater and more targeted investments in rural health.

**Table 4. Gender disparities in prevalence of underweight, 1995-2003**

	Children under five who are moderately or severely underweight <sup>1/</sup> (percentage)		Ratio of girls to boys
	Girls	Boys	
Northern Africa	7	8	0.88
Sub-Saharan Africa	28	30	0.93
Latin America and the Caribbean	7	8	0.88
Eastern Asia	11	11	1.00
Southern Asia	46	43	1.07
South-Eastern Asia	30	30	1.00
Western Asia	16	17	0.94

1/ Children under-five falling below minus 2 standard deviations from the median weight-for-age of the reference population.

Source: United Nations Statistics Division, "World and regional trends", *Millennium Indicators Database*, available from <http://millenniumindicators.un.org> (accessed June 2005); based on data provided by United Nations Children's Fund and World Health Organization.

### *Negative trends in sub-Saharan Africa have multiple causes*

In addition to global economic and political factors affecting nutritional status in sub-Saharan Africa, the region is reeling from the impact of HIV/AIDS. Drought, combined with high HIV prevalence rates in Southern Africa in 2002/03, adversely affected food supplies. In fact, it was the first time that the large-scale impact of HIV/AIDS was observed to affect food security and nutritional status. There is now increasing concern about the effect of HIV/AIDS on the nutritional status of both adults and children. In countries with high rates of HIV, the concern is not only about the direct impact of the epidemic among those who are infected, but also the rising numbers of orphans and other children made vulnerable by HIV/AIDS because of poor or non-existent care. Moreover, the capacity to produce and/or buy food is diminished by proportionately higher death rates among middle-age adults, typically the main breadwinners.

Other factors that have limited progress against hunger in Africa are conflict situations, many of which are prolonged. All the main components of good nutrition, including food security, child care and health facilities are negatively affected in an environment characterized by increased insecurity, the displacement of people from their homes and the devastation of infrastructure.

Breastfeeding of infants has also been curtailed, due to the possible transmission of HIV through breastmilk. This issue has been addressed by a framework for action on "HIV and Infant Feeding", which was endorsed by nine UN agencies in 2003. The framework, along with the 2002 Global Strategy on Infant and Young Child Feeding and *The Lancet* Child Survival Series, call for support for national programming on breastfeeding and should re-invigorate the promotion of exclusive breastfeeding (that is, breastfeeding without the addition of solid foods) for the first six months of life, followed by breast milk and complementary foods from six months of age on, as the best way to proper nutrition and growth.<sup>3</sup>

### *Correcting nutritional deficiencies*

Improving children's intake of iodine, vitamin A and iron is still the main thrust of programming for micronutrient supplementation. Consumption of iodized salt has soared over the last decade, which is helping avert mental retardation and loss of learning ability that often result from iodine deficiency. As of 2002, approximately two out of three households in the developing world consumed adequately iodized salt, a significant improvement from 1990 levels, which were estimated at less than one in five households. Despite this progress, there are still 48 of 203 countries where less than half the population uses iodized salt.<sup>4</sup>

While clinical vitamin A deficiency rates are decreasing, sub-clinical vitamin A deficiency remains a problem, leaving children vulnerable to irreversible blindness and to a greater risk of dying from malaria, measles or diarrhea. Vitamin A supplements have been successfully administered through National Immunization Days for polio. But now that these are being phased out, other means must be found to ensure that children receive the supplement in a sustainable way. To ensure adequate vitamin A levels among children affected by emergencies, vitamin A supplementation together with measles vaccination has become a standard intervention in the early phase of an emergency.

Iron deficiency anaemia can bring disability and death and remains a major public health problem. Increasingly it is being recognized as having multiple causes. The inadequacy of iron-folate supplementation to correct the deficiency calls for a new emphasis on food fortification as a possible option for delivery. As a result, the global alliance of private and public sector resources to increase food fortification with iron and other essential micronutrients is expanding.<sup>5</sup>

The 31st Annual Session of the Standing Committee on Nutrition was held in New York in March 2004 to consider nutrition and the Millennium Development Goals. The meeting focused on the importance of nutrition in achieving goal 1 but also on the notion that nutrition is instrumental in achieving other goals, especially those related to improvements in primary education, gender equality, maternal and child health, and in an increased ability to combat

disease. The meeting concluded that nutrition is an essential foundation for attainment of the MDGs.

## Regional highlights

### **Asia and the Pacific: A three-pronged approach is needed to meet poverty and hunger targets**

Asia and the Pacific has made dramatic progress in regional poverty reduction. The region as a whole is expected to meet the poverty reduction target by 2015, and may even far exceed it. However, significant disparities still exist within and among countries. A number of countries are expected to miss the income-poverty and hunger targets – mostly those countries classified as least developed, landlocked, or small island developing states. The transition from a planned to a market economy has also stalled progress in a number of the Central Asian republics.

Despite having the fastest economic growth rates in the world, the Asia and Pacific region continues to have the largest number of poor people. Estimates for 2001 show that more than 700 million people there live on less than \$1 a day, accounting for slightly less than two thirds of the world's poor. Most of them lived in the world's two most populous countries – China and India. On the basis of a more “generous” poverty line – that of \$2 a day – 1.9 billion people, or 60 per cent of the region's population, lived in poverty in 2002.

Extreme poverty is often associated with various ethnic groups, indigenous populations and, increasingly, the urban poor (the burgeoning number of people living in urban slums has reached an estimated 513 million globally). The growing vulnerability of the poor to natural disasters, such as the recent tsunami tragedy, is becoming a significant concern in the region. The poor are also particularly susceptible to a whole range of communicable diseases, such as AIDS, malaria and tuberculosis, due to malnutrition and a host of other factors.

The sustainability of poverty reduction efforts is a serious challenge in the region. In several countries, gains made in the early 1990s towards the poverty reduction target have been lost due to ineffective macroeconomic management, public corruption, poor governance and the continued exclusion of women, the poor and the marginalized in local-level delivery of health, education and sanitation services. The financial crisis that struck South-Eastern Asia in the late 1990s also interrupted the region's progress and resulted in increasing poverty levels in some of the affected countries.

During the 1990s, most countries saw an increase in inequality in the distribution of income. This was a reflection of the shift from rapid rural and agricultural development towards growth centred more on the urban areas and driven by export industries and services. Some increase in inequality was seen as the almost inevitable price of rapid growth. Instances of deteriorating income inequality were recorded in Central Asia, Southern Asia and the Pacific, where there was slow growth and rising inequality.

In terms of progress against hunger, a large number of countries in the region are projected to miss the MDG target. During the last decade, the proportion of underweight children under five fell only slightly for the region as a whole – from 35 per cent to 31 per cent, while the level of undernourishment across the population fell from 20 per cent to 16 per cent, mainly in China. By the year 2000, more than 500 million people in the region, mainly women and children living in Southern Asia, were undernourished. Even in countries that have become self-sufficient in food, hunger remains a critical challenge due to weak food distribution mechanisms, lack of money to purchase food as well as inequitable growth.

The Asian-Pacific experience shows that there are three elements necessary to achieve the poverty reduction and hunger targets in the region: sustained growth that benefits the poor; resources for investment in critical areas, including physical infrastructure, education, health and agriculture; and institutional changes and innovations.

- Growth can be considered pro-poor if poverty is decreasing rapidly. Sustained pro-poor growth is required to avoid increases in inequality and to ensure that the benefits of growth are reaching those that need them most. The first regional MDG report for Asia-Pacific,<sup>6</sup> produced by the UN Economic and Social Commission for Asia and the Pacific and UNDP in June 2003, revealed that significant gains can be achieved if countries put a great deal of emphasis on agriculture, rural development and on export-oriented labour intensive manufacturing to achieve steady increases in employment, wages and agricultural incomes. China in the 1980s and Viet Nam in the 1990s are possibly the best examples of rapid economic growth accompanied by sustained poverty reduction and very little increase in inequality in the distribution of income. This option, however, requires measures to boost the capacity of the poor and viable social protection systems to ensure some measure of security for the most vulnerable and disadvantaged groups in the society.
- A number of countries do not, on their own, have the resources and capacity to achieve the poverty target. Consequently, there is the need for capacity-building, external resources and integration of countries facing the greatest challenges into regional flows of trade and investment. These countries include the region's least developed, landlocked and small island developing states, along with economies in transition. In these countries, official development assistance has a crucial role to play in building the necessary physical and social infrastructure, including well-funded, well-functioning institutions. The commitments made at the 2002 International Conference on Financing for Development in Monterrey, Mexico must be honoured if the poverty trap of low-income countries is to be broken.
- Major institutional changes and innovations that improve governance, minimize corruption and effectively deliver social services to the poor, coupled with vastly increased investments in institutions that directly cater to the poor, are also badly needed. Institutions that are effective and accountable to the people they serve are now recognized as indicators of sound development.

### **Commonwealth of Independent States and South-Eastern Europe: Traditional poverty indicators do not apply**

A comparison of income-poverty rates among countries in the Commonwealth of Independent States (CIS) and South-East Europe and other regions of the world shows a low prevalence of poverty in the former Soviet republics. However, when national poverty lines are analysed, a very different scenario emerges.<sup>7</sup> Such an analysis shows that the proportion of people living under national poverty lines increased in the CIS and South-East Europe in countries where data are available from 1995-1996 to about the year 2000. During that time, the percentage of people living in poverty (as nationally defined) increased from 13.5 per cent to 17 per cent for extreme poverty and from 15 per cent to 83 per cent for general poverty.<sup>8</sup> For some countries, however, recent trends continue to show an increase in the percentage of people living in poverty. But for the majority of countries, poverty is stable or decreasing as a result of the economic recovery that some countries have experienced over the last five years.

The principal reason for the sharp increase in poverty in CIS and South-East European countries was the economic collapse of the 1990s, triggered by the loss of markets after the

breakup of the Soviet Union. But internal wars and natural disasters have also played a role. The disintegration of the Soviet Union produced a serious impact on the water and energy systems of many CIS countries that changed the environmental and social balance of the region. As a result, there is an increasing number of areas that are affected by drought. The shrinking of the Aral Sea<sup>9</sup> is probably the most visible example of natural disasters in the region, and the consequences have been devastating. They include a total collapse of the fishing industry, diminished productivity of agriculture and an increase in serious diseases, birth defects and infant mortality rates. In 2001, the poverty rate of people living in Kazakhstan around the Aral Sea (46 per cent) was nearly double the national average (28 per cent).

Low wages, pensions and social benefits, inadequate social guarantees, high unemployment, a high share of informal employment, and an increasingly unequal distribution of income are still factors that generate poverty in CIS and South-East European countries. The economic growth in many of these countries and specific measures to combat income-poverty<sup>10</sup> have helped improve living standards in some countries. But there is general agreement among governments that unless these efforts are expanded, poverty, in its extreme forms, will not go away. Measures adopted by some countries to address poverty include efforts to increase employment and the income level of the working population, while increasing their competitiveness in the global market through investments in technological development. Reforming the social security system is a priority among many governments in the region. There is also the recognition that support to vulnerable groups must be strengthened through targeted actions.

### **Instability hampers progress towards the MDGs in some Western Asian countries**

Progress towards improved quality of life and the achievement of the MDGs in Western Asia has been hampered by instability in conflict-stricken areas. The worst affected areas are Iraq and the Occupied Palestinian Territory, where access to and quality of health and education services are extremely low. Between 1990 and 2000, infant, child and maternal mortality rates in Iraq more than doubled. During this period, public expenditure on health decreased by 90 per cent. Women's health deteriorated, with almost 30 per cent of women giving birth without skilled health personnel.

The educational system in Iraq, which used to be one of the best systems in the region and among other developing countries, has regressed due to war and economic sanctions. One in four schools requires major repairs. Harsh economic conditions have forced many students to drop out and seek employment to help support their families. Enrolment ratios in all levels of education and in training and vocational schools have dropped. Moreover, almost 50 per cent of girls in rural areas are out of school.

An estimated 500,000 Iraqi refugees, asylum seekers and persons in refugee-like situations are to be repatriated from neighbouring countries, and this will put additional pressure on the infrastructure and on the health and education services. Estimates of the number of internally displaced persons vary between 20,000 and 200,000.

As of August 2004, there were approximately 4.1 million Palestinian refugees in the region, whose fate hinges on the resolution of the Arab-Israeli conflict.

## Thematic Focus

### The Millennium Development Goals also apply to victims of conflict and persecution

The Millennium Declaration calls for protecting and assisting refugees, promoting global burden sharing and helping displaced persons to return home. The Millennium Development Goals and targets – such as achieving universal primary education, promoting gender equality and combating HIV/AIDS – apply equally to victims of conflict and persecution as they do to others.

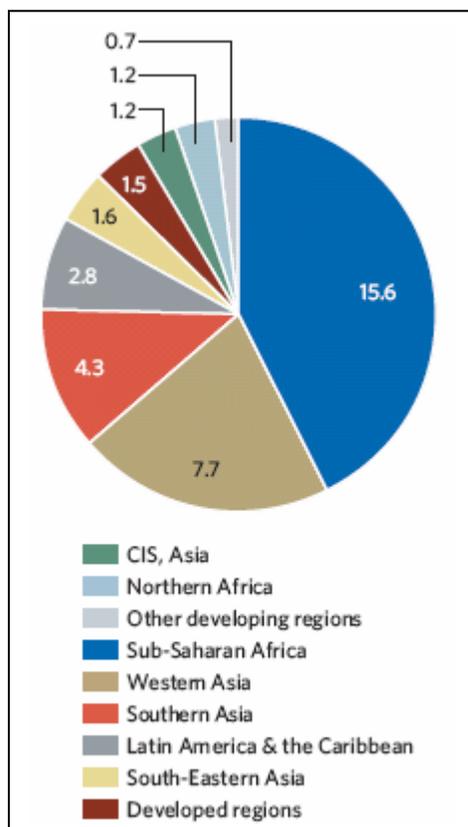
*Six out of every 1,000 people are displaced*

Globally, almost 37 million people – 6 out of every 1,000 – are currently displaced by conflict or persecution. This includes both *refugees* (defined as persons living outside their home country for fear of persecution) and *internally displaced persons*, who have been uprooted from their homes but remain within the borders of their own country.

Of the 13.7 million refugees worldwide, 9.6 million fall under the responsibility of the United Nations High Commissioner for Refugees (UNHCR), and 4.1 million are cared for by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). An additional 23 million people have been internally displaced because of violence and persecution, according to estimates of the United Nations Office for the Coordination of Humanitarian Affairs (OCHA).

*Conflict resolution and economic development are key in reducing forced displacement*

**Figure 3. Number of refugees and internally displaced persons, 2003 (millions)**



Developing regions are not only economically disadvantaged, they are also suffering the most from conflict and persecution (see Figure 3). Sub-Saharan Africa has the largest regional share of displaced persons globally (15.6 millions corresponding to 42 per cent of the total), followed by Western Asia (21 per cent of the total), South Asia (12 per cent of the total) and Latin America and the Caribbean (8 per cent of the total). Because most displaced persons flee within their country or region of origin, the developing regions also share the main burden in hosting those who are uprooted.

Conflict resolution and economic development are essential elements in strategies aimed at reducing and preventing forced displacement. Developing countries hosting large refugee populations should be assisted by the international community to shoulder the burden of asylum.

*Many refugees have repatriated, but new emergencies arise*

From 2000 to 2003, millions of refugees were able to find a solution to their plight. As a result, the total number of refugees (not including Palestinian refugees under the responsibility of UNRWA) dropped by 20 per cent, from 12.1 million to 9.6 million. The fall in the refugee population was significant in the developing regions and the least developed countries but much smaller in the developed regions.

Since 2000, almost 5 million refugees repatriated to their country of origin. The largest drop in refugees was recorded in Southern Asia, due to the successful repatriation of 2.9 million Afghan refugees from the Islamic Republic of Iran and Pakistan. Other post-conflict countries were able to receive back many of their citizens, including Angola, Burundi, Eritrea, The former Yugoslav Republic of Macedonia, Rwanda, Serbia and Montenegro, Sierra Leone, Somalia and Timor-Leste. Despite the large number of refugees who were able to find a durable solution, 1.9 million new refugees were recorded since 2000. Millions of persons became also displaced within their own country. In one of the worst crises in recent history, some 200,000 Sudanese fled to neighbouring Chad and an estimated 1.6 million were displaced within Darfur by late 2004.

*Despite progress, gaps in refugee protection remain*

The implementation of international law is the cornerstone of protecting victims of armed conflict and persecution. Since 2000, eight countries have acceded to the 1951 Convention relating to the Status of Refugees or its Protocol. In total, 145 countries have signed the 1951 Convention, its 1967 Protocol or both. Of the 147 UN member countries hosting refugees, 123 countries (84 per cent) have signed the 1951 Convention.

Of the 9.6 million refugees under UNHCR's mandate, 7.7 million (79 per cent) are hosted by countries that have signed the 1951 Convention. However, if the 4.1 million Palestinian refugees are included, only 56 per cent of the global refugee population are living in countries that have signed the 1951 Convention.

**Chart 2. Refugees and the MDGs: A Scorecard**

Goal/Target	Scorecard summary	Background
<b>Reducing hunger</b>	In 42 per cent of refugee camps, more than 5 per cent of the children below the age of five are malnourished. In 28 per cent of the camps, over 10 per cent of children are malnourished.	During an emergency, refugees may face severe food shortages and hunger. In more stable situations, food distribution should ensure that refugees receive the minimum dietary energy requirements. A limited diet may also affect nutritional status, particularly of children.
<b>Achieving universal primary education</b>	Some 70 per cent of children aged 5 to 17 in refugees camps attend schools. In 20 per cent of the camps, the enrolment rate is below 40 per cent.	UNHCR strives to ensure that all refugee children have access to primary and lower secondary education. In practice, some of the lowest school enrolment rates are recorded in countries where the participation of refugee girls in school is limited.
<b>Promoting gender equality</b>	On average, the percentage of girls enrolled in school is 10 per cent below that of boys. In about half of the refugee camps, the difference between girls' and boys' enrolment is greater than 10 per cent.	Girls' education can be promoted in many ways, ranging from the employment of female staff to programmes to prevent children from dropping out. Concerns about girls' education should be addressed by working through the local community.
<b>Empowering Women</b>	In half of the camps, women make up 40 per cent or more of the camp management committee.	UNHCR actively promotes equal representation of women in administrative bodies representing refugees.

<b>Reducing child mortality</b>	In two thirds of the camps, fewer than 80 per cent of the refugee children aged 9-59 months have been immunized against measles.	Measles is one of the five main causes of death among children under the age of five. Refugee children may have a higher risk of contracting the disease.
<b>Improving maternal health</b>	In 75 per cent of refugee camps, 50 per cent or more births are attended by skilled health personnel.	To minimize maternal mortality, births should be attended by trained health personnel (doctors, midwives, nurses). The evidence provides an overly optimistic picture, because births attended by traditional birth attendants have been inadvertently included in the data.
<b>Improving access to safe drinking water</b>	Half of the refugee camps provide at least 20 litres of water per person per day. In over 50 per cent of the camps, refugees live within 200 metres from a water point. In more than 70 per cent of the camps, there are over 80 persons per tap or over 200 persons per well.	Providing a sufficient quantity of safe water for each refugee to meet domestic and individual needs is a central objective. Access to water should be secure, easy and equitable. Water can be obtained from various sources, such as taps or wells operated by hand-pumps.
<b>Improving access to basic sanitation</b>	50 per cent of the refugees living in camps have adequate access to private or communal latrines. Only 10 per cent of the camps have at least one communal shower per 50 persons. Half of the camps do not have any communal showers.	A sufficient number of latrines is important to avoid congestion in latrine use and the spread of communicable diseases. Showers promote personal hygiene in order to reduce the risk and spread of infectious diseases arising from crowded living conditions.

## Notes

<sup>1</sup> See The World Bank, *World Development Indicators 2004* (Washington, D.C., 2004).

<sup>2</sup> See FAO, *The State of Food Insecurity in the World, 2004* (Rome, 2002)

<sup>3</sup> *The Lancet* Child Survival Series, *The Lancet* 2003, 361: 2226-34 and 362: 65-71.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> "Promoting the Millennium Development Goals in Asia and the Pacific: Meeting the challenges of poverty reduction", United Nations, New York, 2003.

<sup>7</sup> A measurement of poverty based on purchasing power parity (PPP) of \$1 a day is not relevant for the CIS and South-East European countries for many reasons. The cold weather in these regions, for example, requires more resources for heating, clothes and food, and \$1 a day does not provide for an adequate level of subsistence, as it might in other regions. The World Bank recommends using indicators based on PPP \$2.00-\$2.50. However, the best measurements are based on national poverty lines, where extreme poverty is established at the level of consumption sufficient only to provide for the minimum level of dietary energy. General poverty is represented by the minimum level of consumption, taking into account expenditures for both foodstuffs and non-food goods and services. These thresholds seem to be more relevant since they consider not only food but also other expenditures that are crucial to surviving in cold weather. Some CIS and South-East European countries measure poverty using a relative concept (as the EU countries do), setting the poverty level to a defined percentage (from 60 per cent to 75 per cent) of the median cumulative spending per adult.

<sup>8</sup> *Source*: National official statistics.

<sup>9</sup> In the last decade, the Aral Sea has gone from the fourth-largest lake in the world to the world's eighth-largest lake. Along the shrinking shoreline, salt has accumulated due to evaporation, and is transported by strong winds onto irrigated fields in the south. Increasing salinity and water shortages have led to the degradation of agricultural areas and important ecosystems, including the Amu-Dar'ja Delta, which used to be home to a large variety of flora and fauna ([http://www.dfd.dlr.de/app/land/aralsee/back\\_info.html](http://www.dfd.dlr.de/app/land/aralsee/back_info.html)).

<sup>10</sup> In Armenia, for example, the government introduced a state system of family allowances that contributed to reducing the proportion of extremely poor from 27.7 per cent in 1996 to 22.9 per cent in 1999 (*Source: Armenia, Millennium Development Goals Status of Implementation, 2001*). In Ukraine, government policies raised minimum social guarantees (for example, the minimum wage and minimum pension), which helped decrease the share of those living in poverty from 14 per cent to 11 per cent (*Source: Millennium Development Goals Ukraine, 2003*).

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## How the indicators are calculated

### Measuring dollar-a-day poverty

The World Bank's poverty measure, the "dollar-a-day" poverty line, began with its *World Development Report 1990*. The data set is based on national socio-economic surveys. Most surveys used for calculating this indicator measure consumption, including consumption from own production – an important source of income in most countries. Consumption is preferred to income for measuring poverty because it reflects what households spend and consume.

The dollar-a-day poverty line was chosen as representative of typical poverty lines prevailing in a sample of low-income countries. Based on the World Bank's purchasing power parity (PPP) exchange rates for consumption, the international poverty line is now set at \$1.08 a day in 1993 prices. The PPP rates, based on the relative prices of consumption goods in each country, are more representative of the purchasing power of a dollar than market exchange rates, especially in very poor countries. However, PPP rates are a product of a complex and error-prone data collection process. Furthermore, different methods of deriving PPP rates can change the relative value of expenditures among countries.

To estimate poverty in a country, the international poverty line is converted to local currency units using the purchasing power parity exchange rates and applied to distributions of consumption per person constructed from household survey data. Adjustments to the data are often required. For example, population weights are needed to obtain an estimate of the distribution of individual consumption per person from household consumption data. Because surveys are not conducted at the same time or at regular intervals in all countries, it is also necessary to adjust consumption estimates to a common reference year to calculate regional and global aggregates.

The benchmark years for assessing poverty trends are 1990 and 1999. The poverty estimates in this report were produced by the World Bank in 2004, based on survey data from various years over the period 1990-2001 and incorporating the latest survey results from countries.

### Poverty gap ratio

The poverty gap ratio is the mean distance separating the population from the poverty line (with the non-poor being given a distance of zero), expressed as a percentage of the poverty line. It is calculated as the sum of the income gap ratios for the population below the poverty line, divided by the total population.

### Hunger estimates

Estimates of the proportion of people undernourished in the total population are regularly prepared by the Food and Agriculture Organization of the United Nations for monitoring the food security situation in 99 developing countries. The estimate of the proportion of people with insufficient food involves specifying: (a) food supply (from national level data); (b) inequality in access to food (from household survey data); and (c) country food needs (taking into account dietary energy requirements and data on anthropometric characteristics and demographic composition of the population). FAO prepares country estimates, which are then aggregated to obtain regional and global estimates.

National estimates of nutrition within countries use a wide variety of methods, depending on available data and research. Because of the differences in methodology and sources across countries, these estimates are not used by FAO for international comparisons.

### Estimates of child malnutrition

The data presented in this report are for the benchmark years 1990 and 2003, and were proposed by the United Nations Children's Fund (UNICEF) and World Health Organization

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(WHO). They take account of new trend data that have become available in some developing countries.

National estimates of child malnutrition, as measured by stunting and underweight prevalence, are available from various sources: international organizations (such as UNICEF, WHO and the World Bank), non-governmental organizations (such as Helen Keller International, Macro International and Doctors without Borders), ministries of health and other national institutions, and research and academic institutions. Estimates from different institutions may differ. Further discussion and collaborative work on data collection and analysis among agencies and countries are needed in order to harmonize the results and produce a common and more reliable set of estimates for the future.