Lebanon - 2019 Multidimensional Poverty Index

The Lebanon Multidimensional Poverty Index (MPI) aims to complement monetary measures of poverty with non-monetary measures of deprivations. This is based on the notion that poverty is not simply about a person or household having low income but encompasses a broader set of factors such as lack of clean water or electricity, poor quality of work or limited schooling. Multidimensional poverty measures help to provide a more comprehensive portrayal of the poor in a country.

The Central Administration for Statistics (CAS) together with the World Bank has developed the first official multidimensional poverty index for Lebanon using the nationally representative 2018-2019 Labor Force and Housing Living Conditions Survey. The index is derived from 19 indicators across five dimensions which are education, health, financial security/well-being, basic infrastructure and living standards. For each indicator, a household is identified as being deprived if it falls short of a minimum standard determined for that indicator. The education dimension captures households with low schooling attainment or whose children are out of school. The health dimension identifies households without health insurance or those that are unable to afford medical services. The financial security dimension attempts to capture households that are struggling to find work, whose members are in low quality jobs, or are unable to adequately support their families. The basic infrastructure dimension depicts households that have limited access to services such as transportation, health care, sanitation, water or electricity. Finally, the living standards dimension depicts households that are residing in overcrowded dwellings, have no heating sources, possess limited assets, lack access to information or view themselves as poor or very poor. The index gives equal importance to each dimension and to each indicator within a dimension.

The 2019 MPI for Lebanon reveals that 53.1 percent of the residents in Lebanon were multidimensionally poor as they were deprived in over 25 percent of the indicators (Table S1). The extreme poor, where residents are deprived in more than 50 percent of the indicators, amount to 16.2 percent of the population. The largest contributors to national MPI-poverty are deprivations in health insurance (24.8 percent), followed by school attainment (18.3 percent) and further along by low-security work (9.7 percent). When aggregating by dimensions, the largest contributor to deprivation is the health dimension (30.2 percent), followed by employment (25.8 percent) and education (25.3 percent). The living standards and basic infrastructure dimensions contributed 13 percent and 6 percent respectively.

| Poverty cutoff(k) | Index | | Value |
|-------------------|---------------------|--|-------|
| k-value = 25% | MPI | Multidimensional Poverty Index | 0.235 |
| | Headcount Ratio (H) | Incidence of poverty or proportion of people identified as multidimensionally poor | 53.1% |
| | Intensity (A) | Average proportion of weighted indicators in which the MPI-poor are deprived | 44.2% |

Table S1: Incidence, Intensity and Multidimensional Poverty Index (MPI), 2019

Across the eight governorates, *Akkar* and *Bekaa* are the poorest, while the greatest intensity of poverty among the MPI-poor is experienced in *Beirut*. In other words, while one is less likely to be MPI-poor in Beirut, those that are poor are more likely to experience greater deprivation that in other governorates. The MPI-poor are not distributed in the same manner as the population of Lebanon. Approximately a third of Lebanon's MPI-poor reside in *Mount Lebanon* where about 41 percent of the population reside. The composition of the multidimensional poverty is fairly similar across the governorates. The largest share – corresponding to the absence of health insurance - contributes anywhere from 23 percent to 27.4 percent to overall poverty.





At the district level, *Minieh-Danniyeh* and *Hermel* have the highest incidence of MPI-poverty, whereas *Keserwan* and *Batroun* have the lowest incidence. The poorest districts tend to be associated with lower net enrolment rates at secondary level and a lower share of students attending private education, higher illiteracy rates, lower reported income levels and a higher share of self-reported poor/very poor, and larger informality rates. However, the poorest districts do not always host the largest shares of the MPI-poor - *Baabda* and *Akkar* have the largest share of multidimensionally poor (10.7 and 9 percent respectively) and *Bcharre* has the lowest share (0.4 percent).

Looking across age-groups, the highest incidence of multidimensional poverty occurs among 66.8 percent of children, ages 0-4 years. This is a common finding in other countries, highlighting the vulnerability of households with young children. Particular to Lebanon, the absence of health insurance contributes the largest to MPI-poverty across the age groups followed by low school attainment.

Female-headed households tend to have higher incidences of multidimensional poverty (56.7 percent) relative to male-headed households (52.6 percent). Approximately, 11.6 percent of individuals live in femaleheaded households while the rest (88.4 percent) reside in male-headed households.

Households whose head have higher level of educational attainment are associated with lower rates of multidimensional poverty. For instance, less than 22 percent of households are MPI-poor among heads with tertiary education compared to 78.4 for those with no schooling. Larger households are found to have higher levels of poverty, consistent with MPI findings in other countries.

The 2018-2019 data used in constructing the new MPI reflects a period that precedes a challenging phase that the country continues to confront which has implication for the dynamics of people's welfare. Looking ahead, the 2019 MPI will form a baseline against which future MPIs can be compared against as new data are generated on the evolving conditions of individuals and households in the country.