BETTER POVERTY DATA TO IMPROVE THE WELFARE OF REFUGEES

A technical brief on using cross-survey imputation to derive refugee poverty data

Sudanese refugee with her twin daughters in Djabal camp, Chad. Both babies are under treatment for malnutrition
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For decades, large numbers of people have been forced to flee from their homes due to conflict and violence. By the end of 2018, 74.8 million people were forcibly displaced, of which 20.4 million refugees are under UNHCR's mandate, a stark increase of more than one third since 2010 (UNHCR 2019 and UNHCR 2010).

The Global Compact on Refugees, approved by the UN General Assembly in December 2018, sets out four key objectives for providing assistance to refugees. The first two of these objectives aim to ease pressure on host countries and enhance refugee self-reliance.[1] At the same time, the Sustainable Development Goal 1 pledges to end poverty in all its forms by 2030.

Central to the efforts of UNHCR, the World Bank and our partners to meet these targets is the availability of refugee socioeconomic data to design effective assistance programs. With this data, comparable poverty estimates can be calculated for both refugees (and other forcibly displaced) and their hosts to design more beneficial poverty alleviation programmes and improve their welfare.

Definitions of welfare vary. The World Bank (2000) cites: "Poverty is pronounced deprivation in well-being," while economist Amartya Sen (1987) asserts: "Well-being comes from a capability to function in society." The World Bank leads in monitoring poverty for countries around the world. For example, the International Comparison Program, a worldwide statistical initiative led by the World Bank under the auspices of the United Nations Statistical Commission, provides comparable price and volume measures of gross domestic product and its expenditure aggregates among countries as well as within and across regions. At the country level, national poverty assessments typically measure poverty using households' consumption or expenditure data.

The lack of poverty data is most acute in lower-income countries, which host 85 percent of refugees (UNHCR 2019).[2] This is because poverty estimates are usually part of national consumption household surveys, which are costly to conduct and require specialist calculations. These cost and technical challenges can be even bigger in the case of forcibly displaced populations because they tend to move frequently and they face different and more frequent employment and livelihoods setbacks due to their lack of right to work, logistical, and/or educational constraints.

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[1] See www.unhcr.org/the-global-compact-on-refugees.html.
[2] UNHCR, 2019. Global Trends: Forced Displacement in 2018.

Proposed approach: use a tried-and-tested method to fill the data gap

At the moment, few national governments include refugees in their national surveys that measure poverty.[3] There are efforts underway to change this. In both Chad and Niger, the national statistical offices, in collaboration with the World Bank and the UNHCR, will include refugee populations in national household surveys. This effort will produce comparable poverty data that is representative of all refugees in Chad and Niger as well as the nationals of each country, and can be used to more accurately inform refugee policies. Results are expected to be ready in 2020.

Until all host countries systematically include refugees in national surveys, there remains a massive gap in refugee poverty data. To address this gap, UNHCR and the World Bank have been carrying out research using a poverty prediction method that combines non-income refugee data from UNHCR's proGres database (or other household datasets)[4] with existing sets of non-nationally representative refugee poverty data. These existing data are collected by humanitarian organizations working with refugees; while they provide valuable information, they do not use national statistical methods and the data collected shines a light only on the situation of specific groups of refugees.

This method of combining data from two different surveys is cross-survey imputation. It allows the calculation of refugee poverty estimates in a data poor environment. It can help fill this massive data gap in operations where data is scarce, but programming needs such as targeting or prioritization require poverty estimates.[5]

Early results using cross-survey imputation

UNHCR and the World Bank have been testing the method in several countries and initial results suggest it is promising as a highly cost-effective and accurate way for measuring poverty estimates and welfare among forcibly displaced populations. For example, the method was tested by UNHCR in Chad (Beltramo et al, 2019)[6] and by the World Bank in Jordan (Dang and Verme, 2019),[7] and produced accurate poverty rates that were validated through various tests.

How do we use this approach in our work?

The promising results make measuring welfare data within reach of lower-income countries as UNHCR proGres data is available in most refugee locations. Including refugees into national surveys whenever possible is the first best approach. However, when this is not possible, cross-survey imputation offers a rapid and cost-effective way to measure poverty among refugees worldwide, providing much needed evidence in the design of programmes and targeting of assistance. For example, in Chad, prior to the inclusion of refugees in the national household survey, UNHCR and the World Bank used existing proGres and survey data to estimate poverty among refugees. This was used to inform programming, evaluate, the efficiency of the existing targeting strategy, and recommend areas for improvement.

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[3] UNHCR's Division of Resilience and Solutions and the World Bank's Poverty Global Practice and Fragility Conflict and Violence Group work with national governments to include refugees in national surveys that measure poverty.

[4] proGres is UNHCR's registry of all refugees in a country and one of the most comprehensive database of refugee data. It does not, however, include income or consumption information.

[5] The data calculates the poverty headcount ratio (i.e., the percentage of population that is poor) at both the international and national poverty lines as per the international standard.

[6] Theresa Beltramo, Hai-Anh H. Dang, Ibrahima Sarr, and Paolo Verme, 2019. Is Imputing Poverty Efficient? An example from refugee data in Chad. UNHCR.

[7] Dang, H.-A.H., Verme, P., 2019. Poverty Imputation for Forcibly Displaced Populations: Method and Implementation Challenges, with an Application to the Syrian Refugees in Jordan. The World Bank.

[8] The views of this brief are the sole responsibility of the authors and do not necessarily reflect the views of our institutions. All errors are our own.