



REPUBLIC OF GHANA



ANNUAL HOUSEHOLD INCOME AND
EXPENDITURE SURVEY (AHIES)



GHANA 2023 ANNUAL HOUSEHOLD INCOME AND EXPENDITURE SURVEY



MULTIDIMENSIONAL POVERTY

2023 Quarter 4 Bulletin

GHANA STATISTICAL SERVICE
JUNE 2024

TABLE OF CONTENTS

LIST OF FIGURES.....	ii
1. BACKGROUND.....	1
2. STATISTICS	2
3. DEFINITION OF CONCEPTS	16
3.1. Multidimensional Poverty	16
3.2. Incidence of Poverty (Who is Poor?).....	16
3.3. Intensity of Poverty (How Poor Are They?)	16
3.4. Censored Headcount Ratio.....	16
3.5. Uncensored Headcount Ratio.....	16
3.6. The MPI (Adjusted Headcount Ratio).....	17
3.7. Household.....	17
3.8. Head of Household.....	17
3.9. Sex of Head of Household.....	17
3.10. Household Size	17
3.11. Household Population.....	17
3.12. Engagement in Economic Activity	17
3.13. Economic Sector	17
3.14. Sector of Employment	18
3.15. Level of Education	18
3.16. Locality	18
3.17. Type of Locality.....	18
3.18. Marital Status	18
4. LINK FOR ACCESSING TABLES	20

LIST OF FIGURES

Figure 2.1: Incidence of multidimensional poverty (percent) 2

Figure 2.2: Multidimensional poverty by type of locality (percent) 3

Figure 2.3: Multidimensionally poor population (headcount) by region..... 4

Figure 2.4: Incidence of multidimensional poverty by region (percent) 4

Figure 2.5: Censored headcount ratios..... 5

Figure 2.6: Contribution of dimension to multidimensional poverty by region (percent) . 6

Figure 2.7: Contribution of indicator to multidimensional poverty (percent) 7

Figure 2.8: Contribution of health dimension to poverty by type of locality (percent) 8

Figure 2.9: Multidimensional poverty by sex of head of household (percent) 9

Figure 2.10: Contribution of indicator to multidimensional poverty by sex of head of household (percent)..... 10

Figure 2.11: Multidimensional poverty by educational level of head of household (percent). 11

Figure 2.12: Multidimensional poverty by sector of employment of head of household (percent) 12

Figure 2.13: Multidimensional poverty by economic sector of head of household (percent) 13

Figure 2.14: Multidimensional poverty by marital status of head of household (percent) 14

Figure 2.15: Multidimensional poverty by household size (percent) 15

1. BACKGROUND

Poverty measures until recently, focused solely on income deprivation as an assessment of the living conditions and general wellbeing of any population. Although, monetary poverty is closely associated with socioeconomic status, it is now widely recognized that poverty is multifaceted or multidimensional (Sen, 1999; Oshiro and Kan, 2014; Su-Jung, 2020). The Sustainable Development Goal (SDG) 1, which aims to “End poverty in all its forms everywhere,” is multidimensional in form and definition. In addition, target 1.2 aims to at least half the incidence of men, women, and children of all ages living in poverty in all its dimensions.

As part of its agenda to end poverty and bring prosperity to its citizenry, the Government of Ghana over the years has committed to developing policies that would help achieve this. Recent policies include the Coordinated Programme of Economic and Social Development Policies, 2017-2024, An Agenda for Jobs: Creating Prosperity and Equal Opportunity for All, Livelihood Empowerment Against Poverty (LEAP), Exemption from National Health Insurance premium payment for pregnant women, indigents, persons with mental disorders, pensioners, elderly (above 70 years) and differently abled persons.

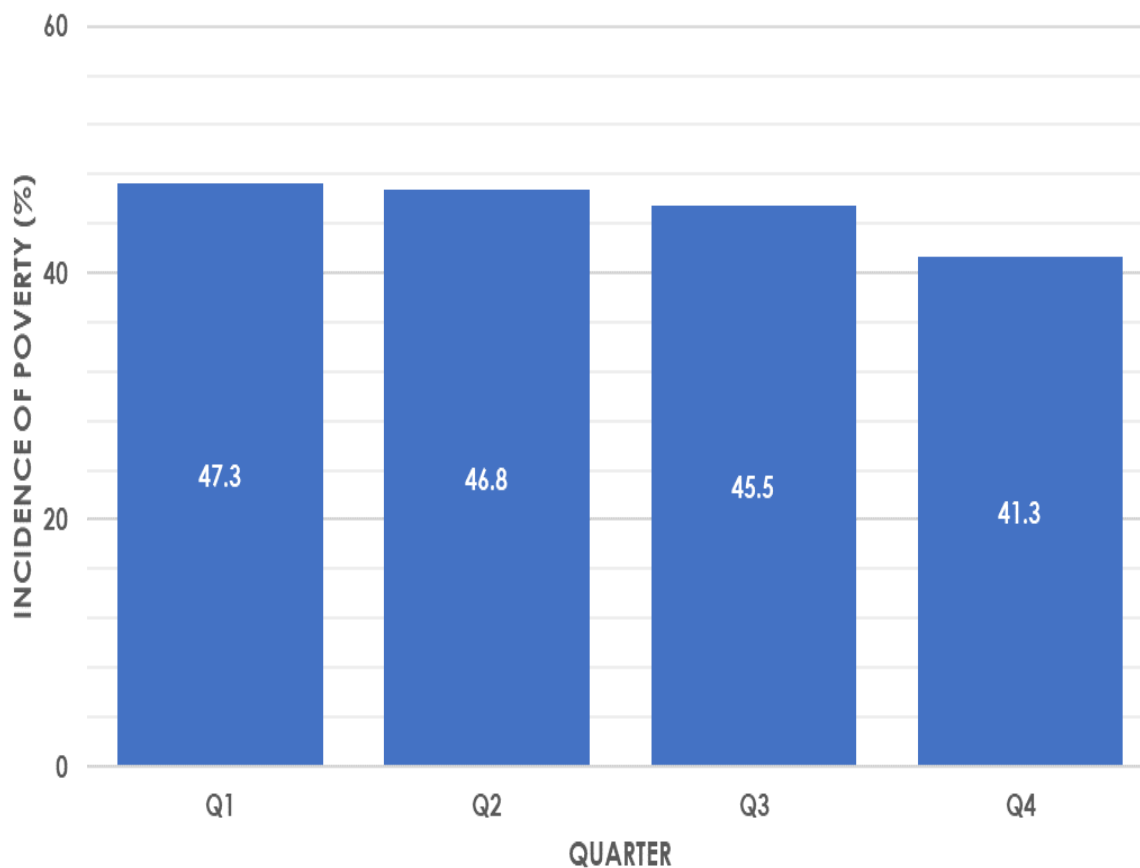
The Annual Household Income and Expenditure Survey (AHIES) is the first nationally representative high frequency panel survey that provides quarterly data on multidimensional poverty. It is designed to provide disaggregated poverty statistics to support policy and planning, in line with the national development agendas to end poverty in all its forms.

This bulletin presents quarterly multidimensional poverty statistics for the entire population generated from the 2023 AHIES data. It provides information on the population that are multidimensionally poor, deprivation in indicators, contribution of indicator to poverty and contribution of dimension to poverty. These statistics are disaggregated by sex of household head, type of locality, region, and selected economic characteristics.

Generally, measurement of MPI is country specific. Hence, dimensions and indicators used though comparable to the 2020 Ghana MPI may not be comparable to other countries' Multidimensional Poverty Index (MPI).

2. STATISTICS

FIGURE 2.1: INCIDENCE OF MULTIDIMENSIONAL POVERTY (PERCENT)



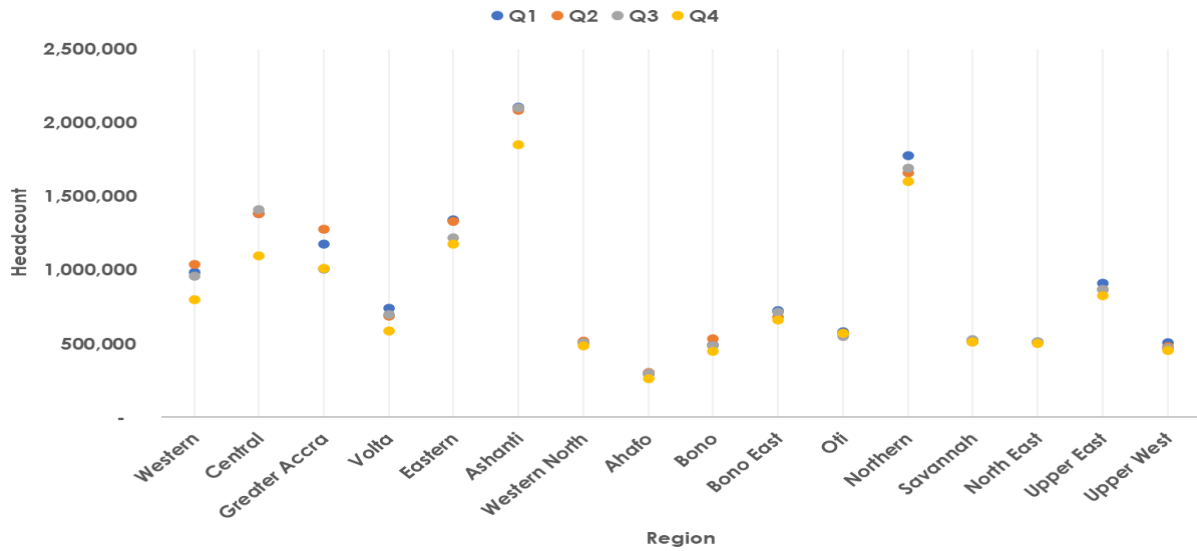
The incidence of multidimensional poverty has consistently decreased from quarter one, Q1 (47.3%) to quarter four (Q4) in 2023 but with a higher magnitude of decrease in Q4. Compared to quarter three (Q3), the number of poor persons has declined by 4.2 percentage points in Q4 representing 1.3 million people.

FIGURE 2.2: MULTIDIMENSIONAL POVERTY BY TYPE OF LOCALITY (PERCENT)



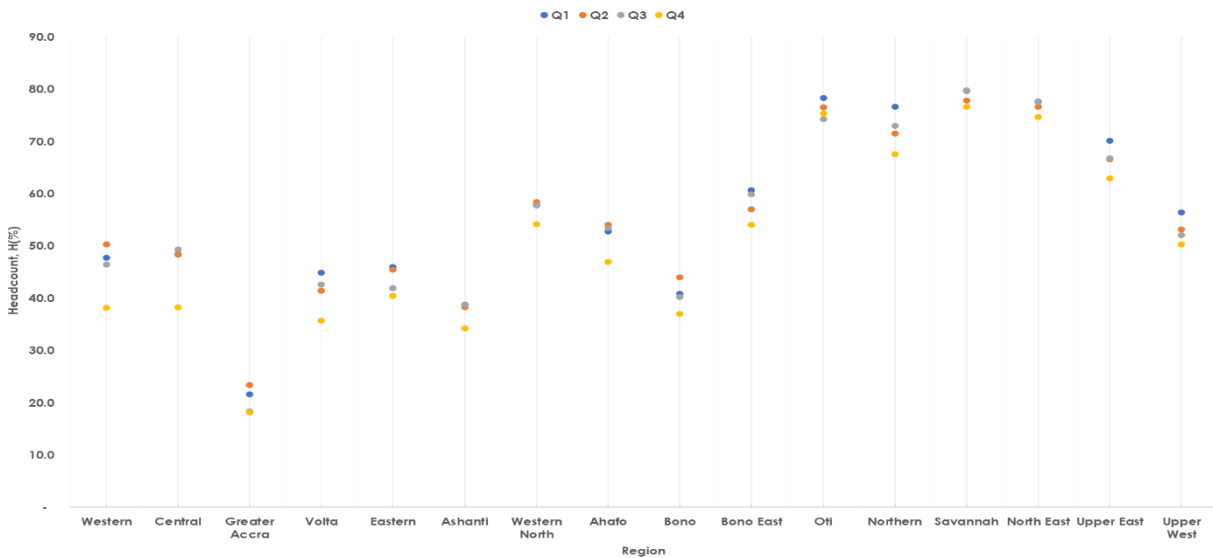
Multidimensional poverty in rural areas (66.9% in Q1, 65.6% in Q2, 65.5% and in Q3) is about twice that of urban areas (32.1% in Q1, 32.0% in Q2, 36.1% and 29.9% in Q3). The figure for rural areas in Q4 (59.8%) is however, more than twice that of urban areas (26.9%).

FIGURE 2.3: MULTIDimensionally POOR POPULATION (HEADCOUNT) BY REGION



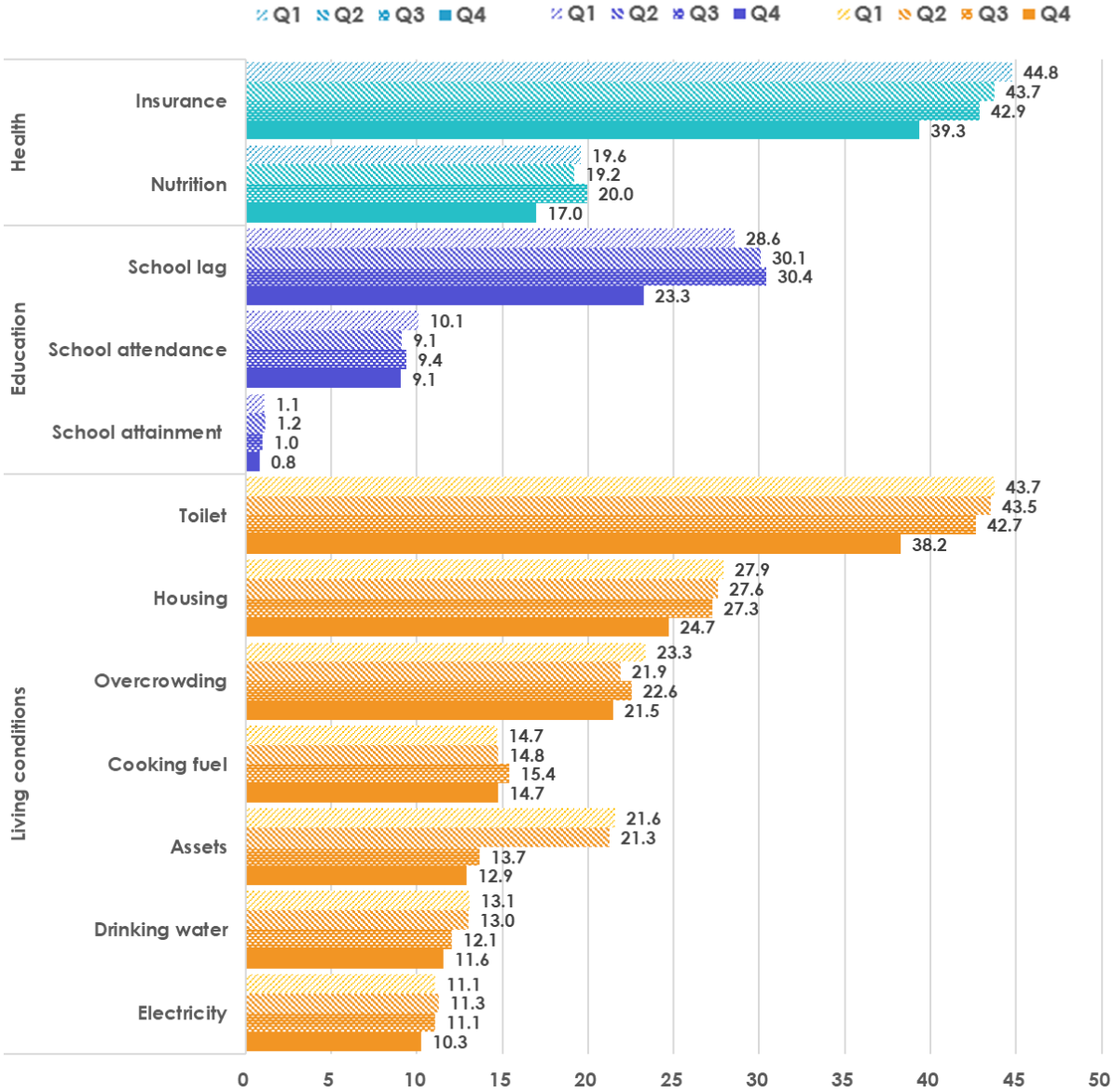
Fourteen regions recorded a decline in the multidimensionally poor population between Q3 and Q4, but two regions recorded an increase, Greater Accra (from 1.00 million in Q3 to 1.01 million in Q4) and Oti (from 0.55 million in Q3 to 0.57 million in Q4).

FIGURE 2.4: INCIDENCE OF MULTIDimensional POVERTY BY REGION (PERCENT)



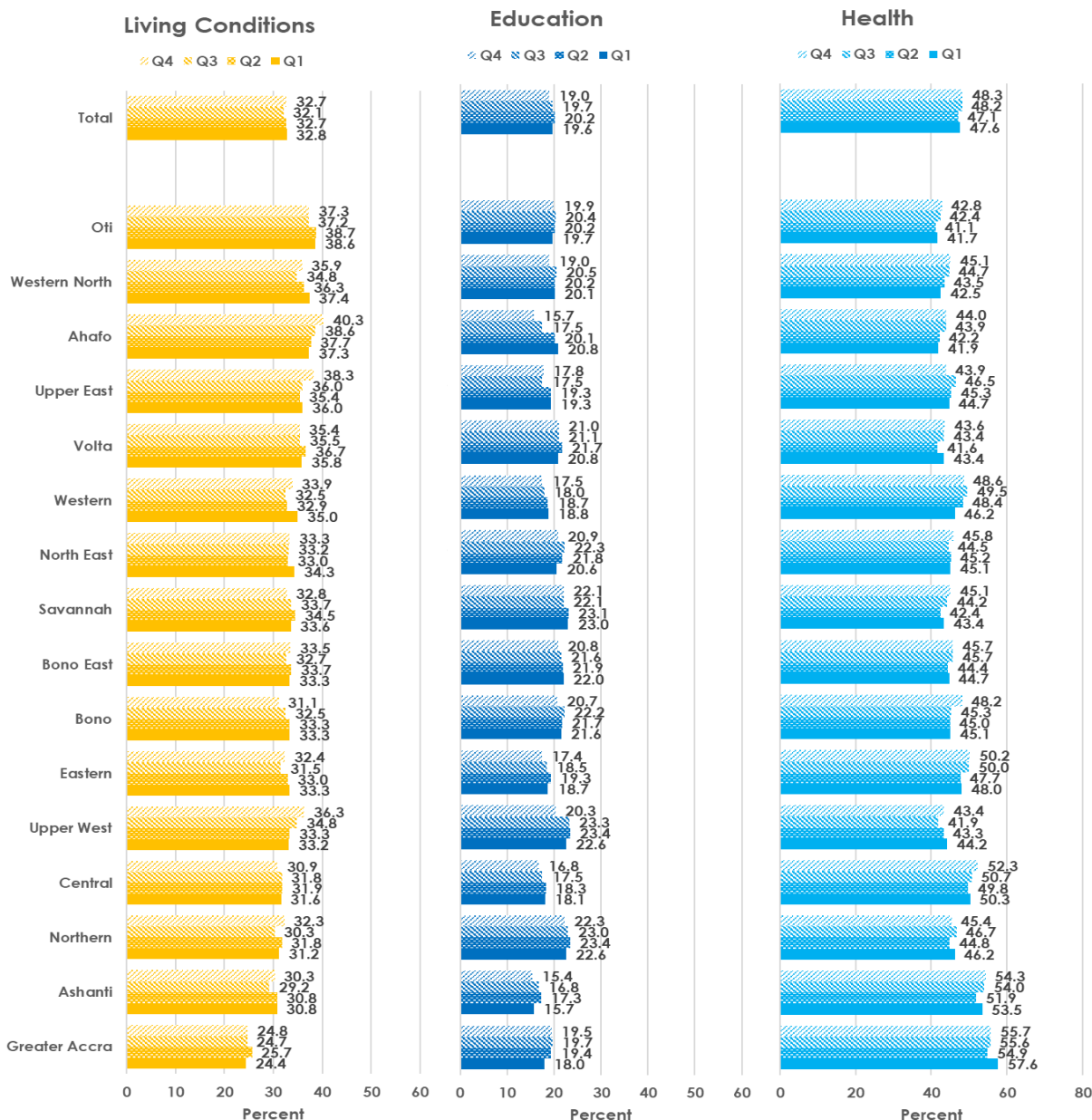
Nine regions had multidimensional poverty above the national average of 41.3 percent in Q4 with Savannah Region recording the highest (76.6%) with more than a third percentage points (35.3%) higher than the national average and Greater Accra Region recording the lowest with 18.2 percent.

FIGURE 2.5: CENSORED HEADCOUNT RATIOS



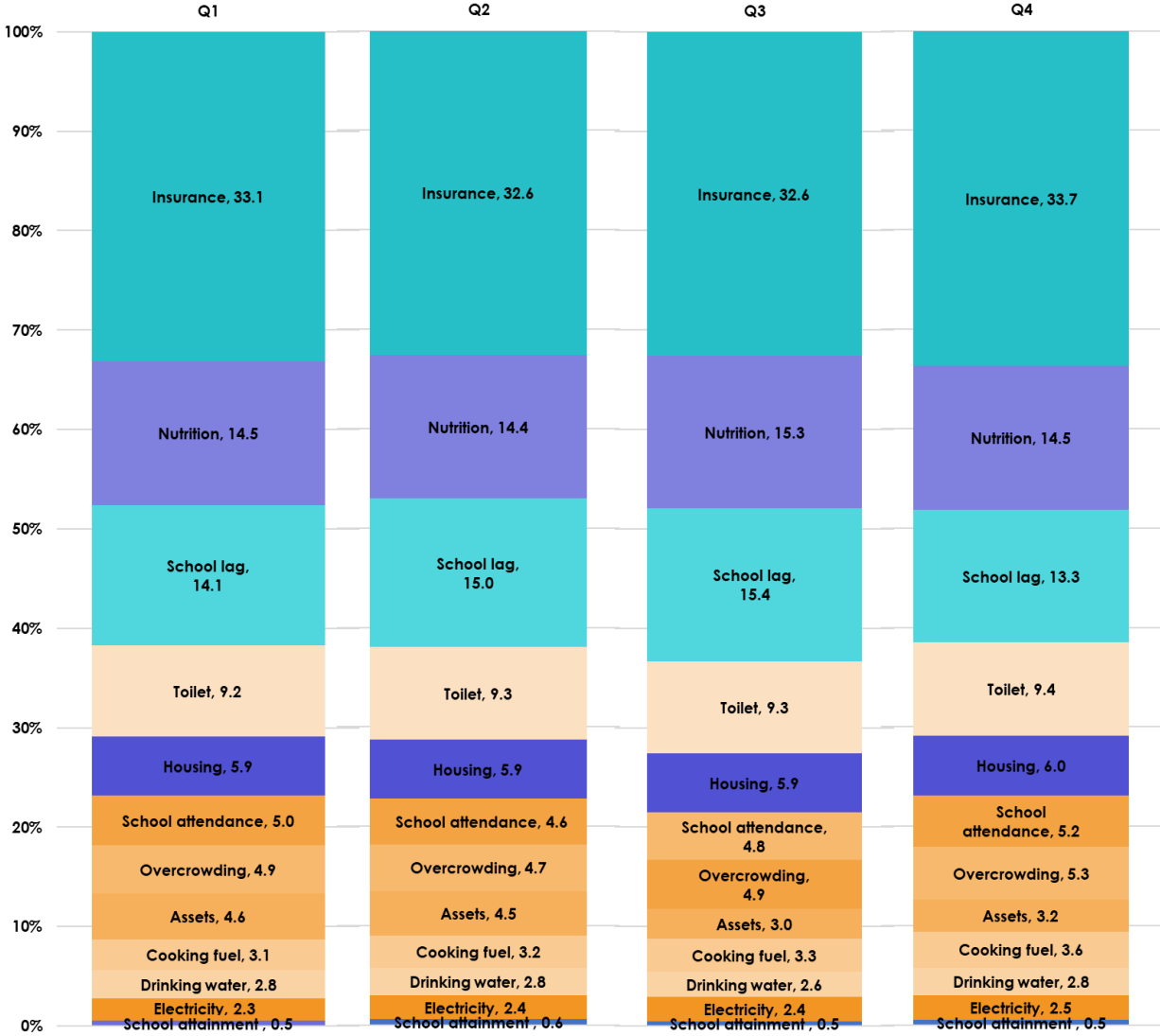
The common forms of deprivations in Q4 are health insurance coverage (39.3%), improved toilet (38.2%) and housing (24.7%). The number of multidimensionally poor persons who are deprived in health insurance declined by 3.5 percentage points between Q3 and Q4 representing 1.1 million people.

FIGURE 2.6: CONTRIBUTION OF DIMENSION TO MULTIDIMENSIONAL POVERTY BY REGION (PERCENT)



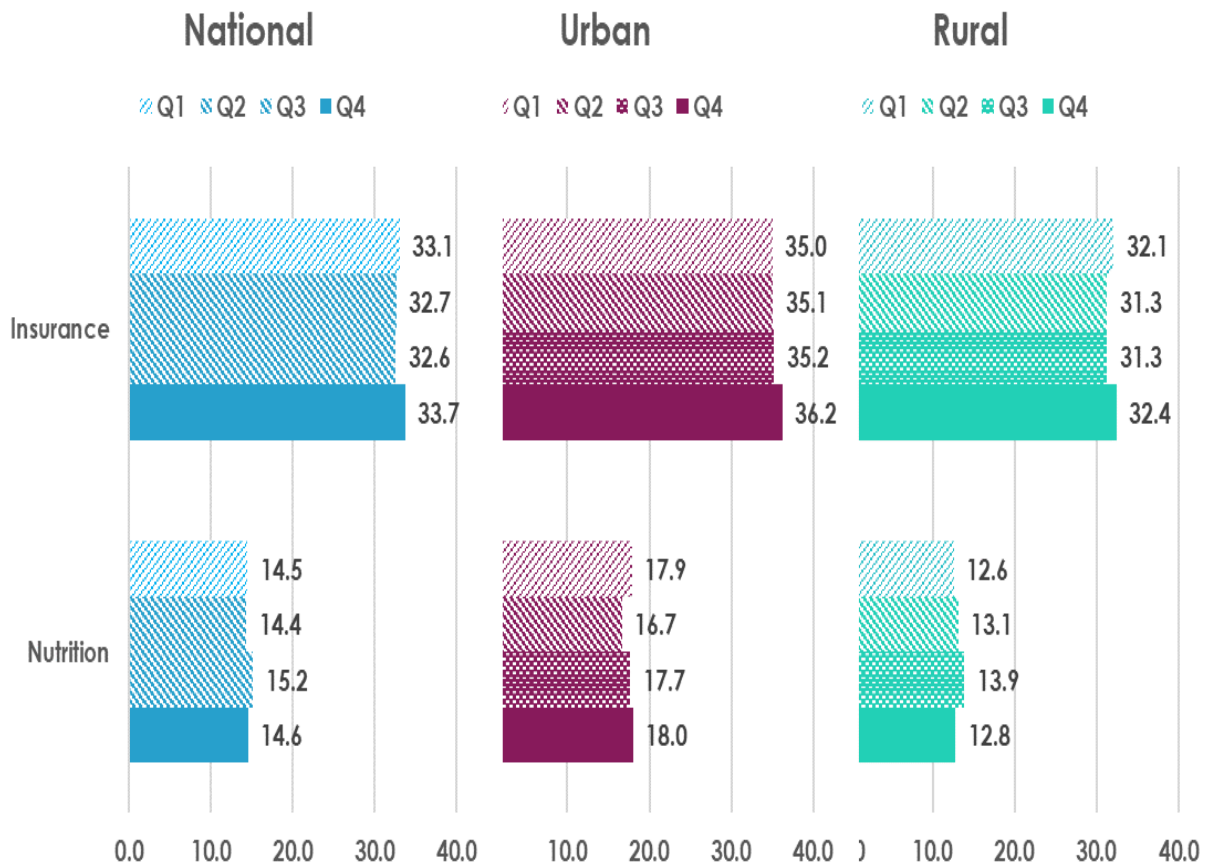
Of the three dimensions of multidimensional poverty, health dimension is the highest contributor to multidimensional poverty with about four in every ten (from 47.1% in Q3 to 47.6% in Q4) across all quarters. Education dimension contributes the least with 20.2 percent from Q3 to 19.6 percent in Q4. The health dimension contributes the highest in Greater Accra Region in all four quarters ranging from 55.7 percent in Q1 to 57.6 percent in Q4 compared to the other regions.

FIGURE 2.7: CONTRIBUTION OF INDICATOR TO MULTIDIMENSIONAL POVERTY (PERCENT)



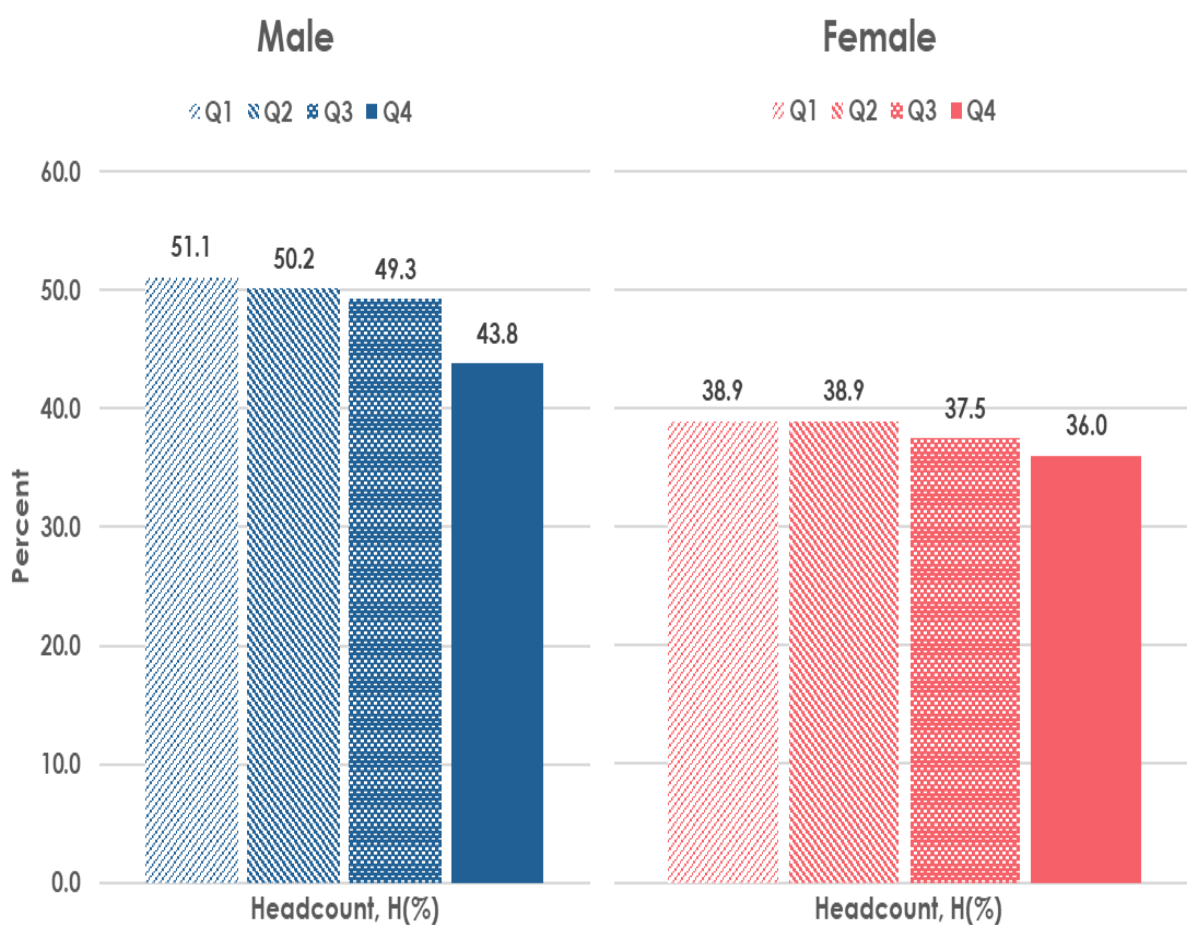
Five out of the 12 indicators contribute more than three quarters (76.9%) to multidimensional poverty in Q4; health insurance coverage (33.7%), Nutrition (14.5%), school lag (13.3%), improved toilet (9.4%) and housing (6.0%).

FIGURE 2.8: CONTRIBUTION OF HEALTH DIMENSION TO POVERTY BY TYPE OF LOCALITY (PERCENT)



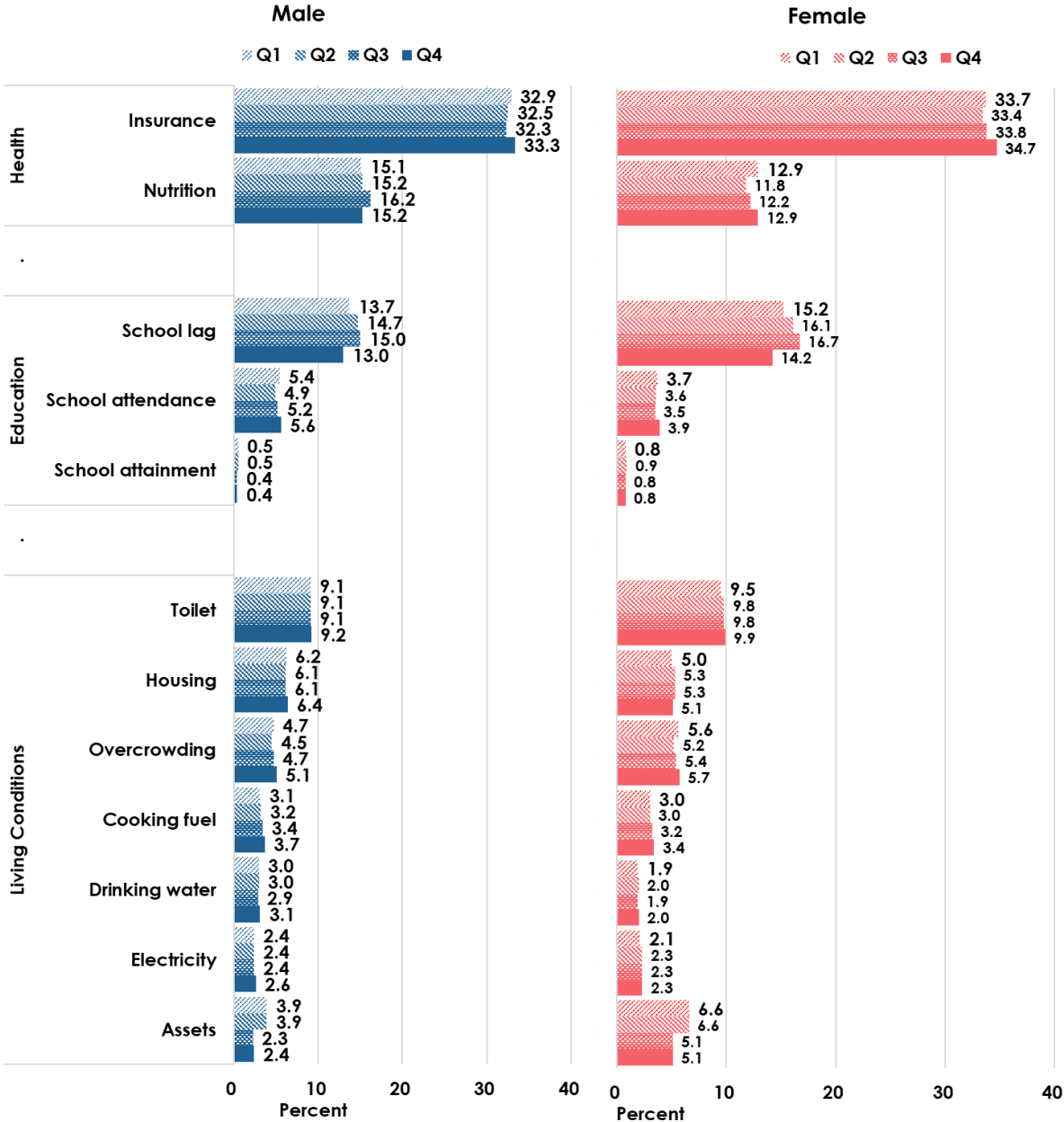
Deprivation in health insurance coverage and nutrition are both higher in urban than in rural areas. Health insurance coverage continue to contribute about a third of all the indicators across the four quarters. Nutrition contributes a higher proportion of deprivation among under five children in urban (17.9% in Q1, 16.7% in Q2, 17.7% in Q3 and 18.0% in Q4) than rural areas (12.6% in Q1, 13.1% in Q2, 13.9% in Q3 and 12.8% in Q4).

FIGURE 2.9: MULTIDIMENSIONAL POVERTY BY SEX OF HEAD OF HOUSEHOLD (PERCENT)



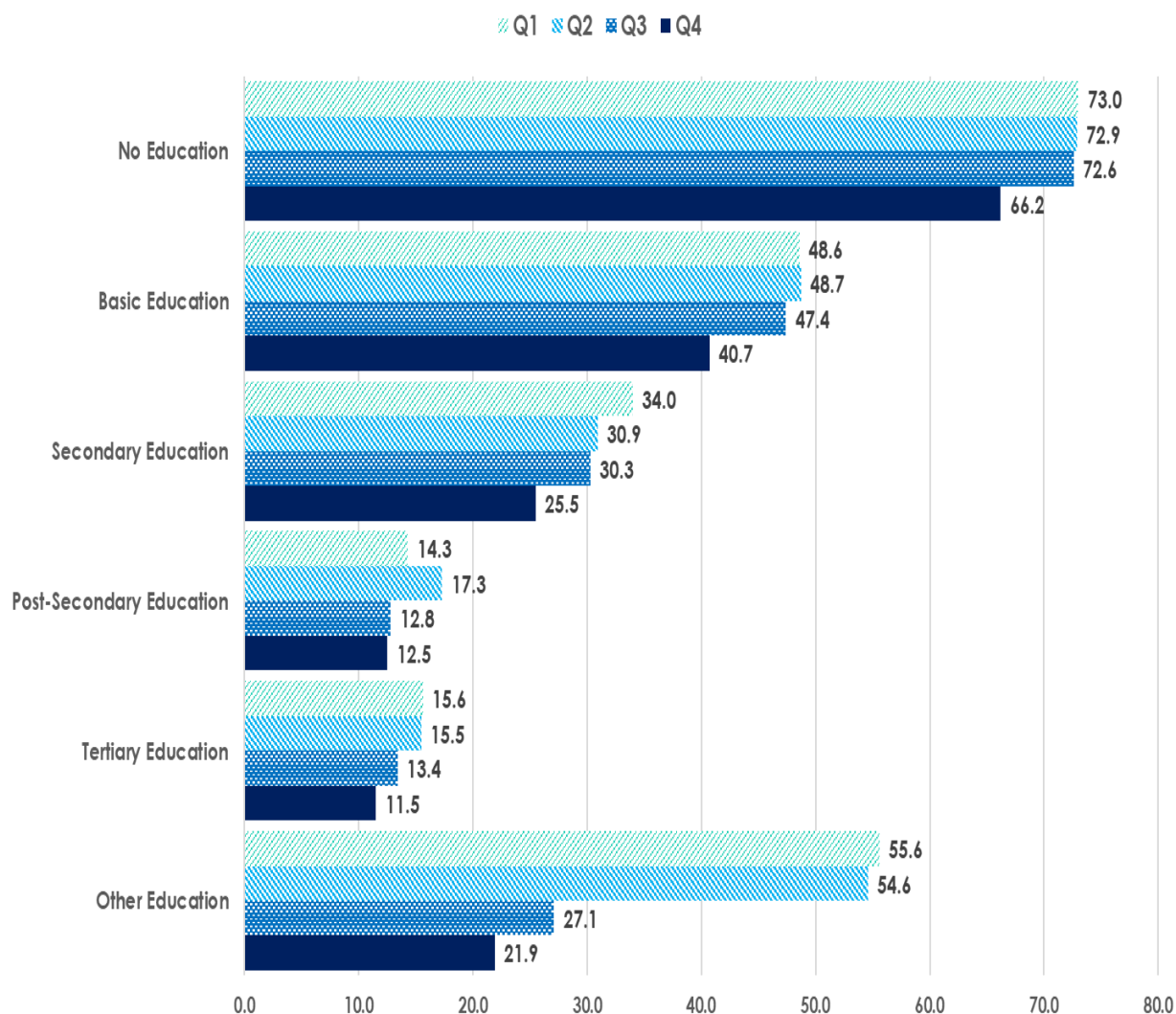
Multidimensional poverty has been decreasing in households headed by both sexes from Q1 to Q4. In all four quarters however, multidimensional poverty is higher in male-headed households with about four in every 10 (49.3% for Q3 and 43.8% for Q4) households than in female-headed households with three in every 10 (37.5% for Q3 and 36.0% in Q4) households.

FIGURE 2.10: CONTRIBUTION OF INDICATOR TO MULTIDIMENSIONAL POVERTY BY SEX OF HEAD OF HOUSEHOLD (PERCENT)



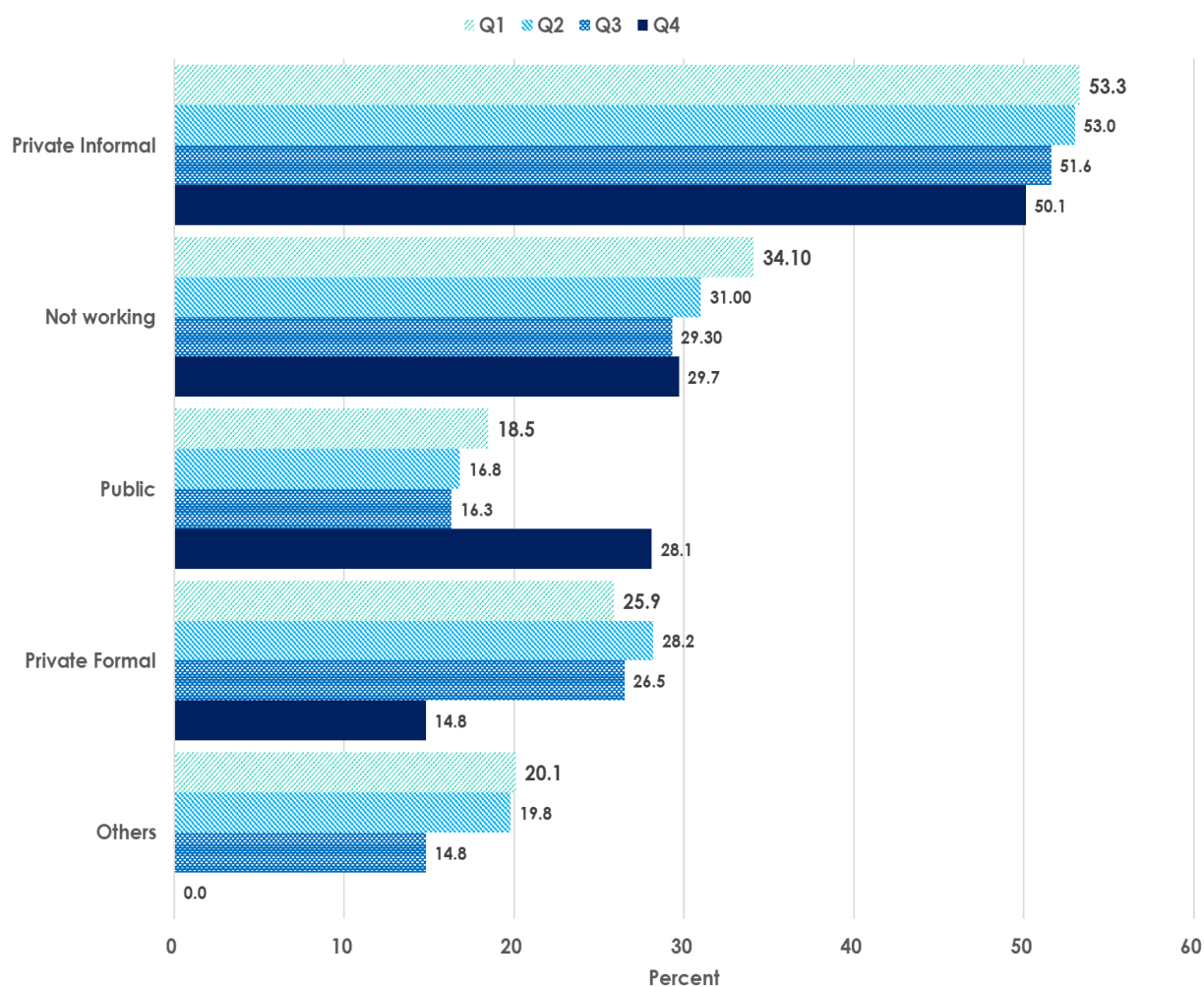
The contribution of deprivation in health insurance coverage to multidimensional poverty is higher among households headed by both females and males. On the contrary, deprivation in nutrition contributes higher to MPI in male-headed households (from 16.2% in Q3 to 15.2% in Q4) than females (from 12.2% in Q3 to 12.9% in Q4).

FIGURE 2.11: MULTIDIMENSIONAL POVERTY BY EDUCATIONAL LEVEL OF HEAD OF HOUSEHOLD (PERCENT).



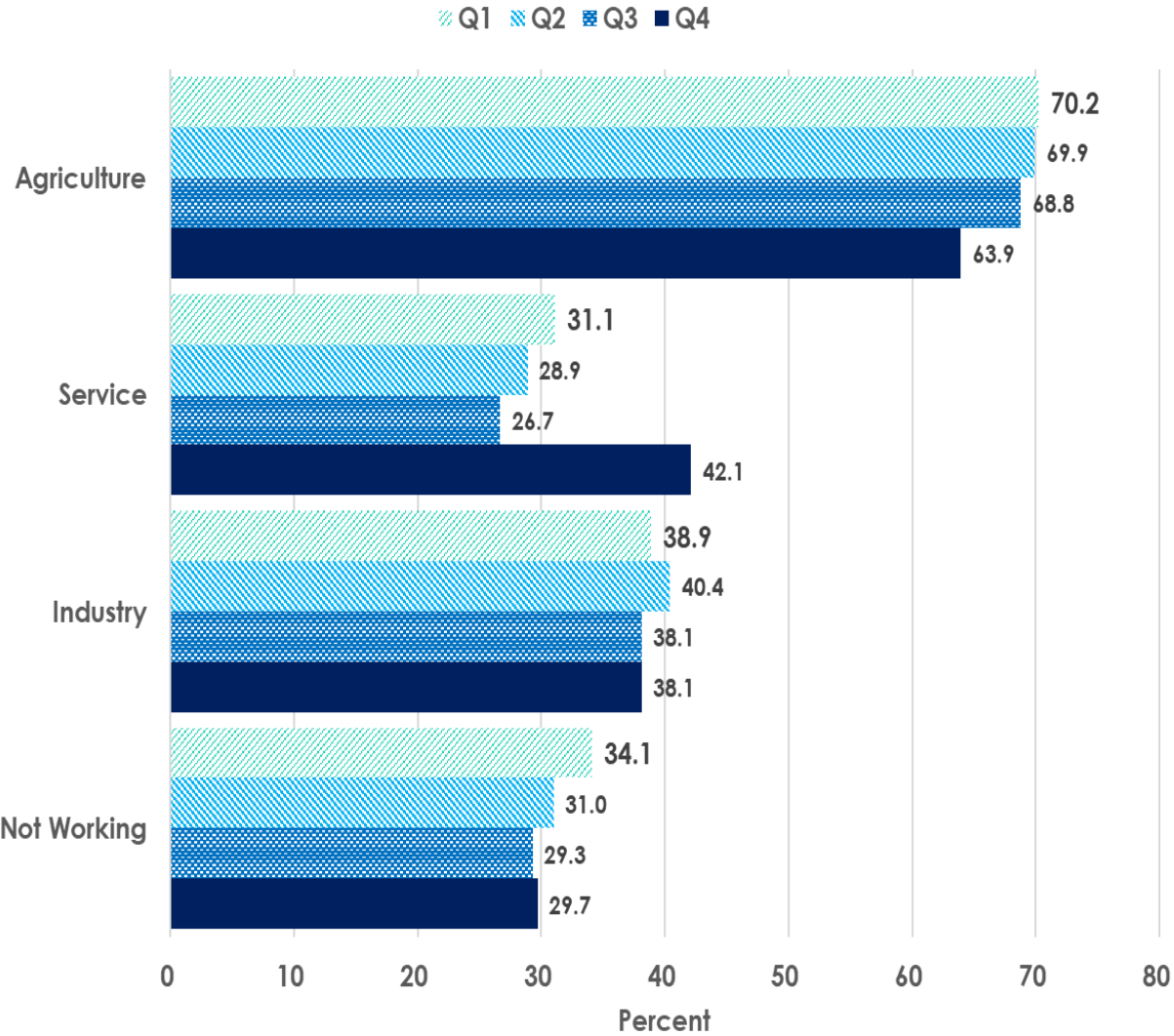
Poverty reduced in all the levels of education that household heads have attained except those with post-secondary education which experienced a surge in poverty from 14.3 percent in Q1 to 17.3 percent in Q2. Households whose heads have tertiary education in Q4 (11.5%), are 54.7 percentage points less poor compared to those with no education (66.2%) in Q4.

FIGURE 2.12: MULTIDIMENSIONAL POVERTY BY SECTOR OF EMPLOYMENT OF HEAD OF HOUSEHOLD (PERCENT)



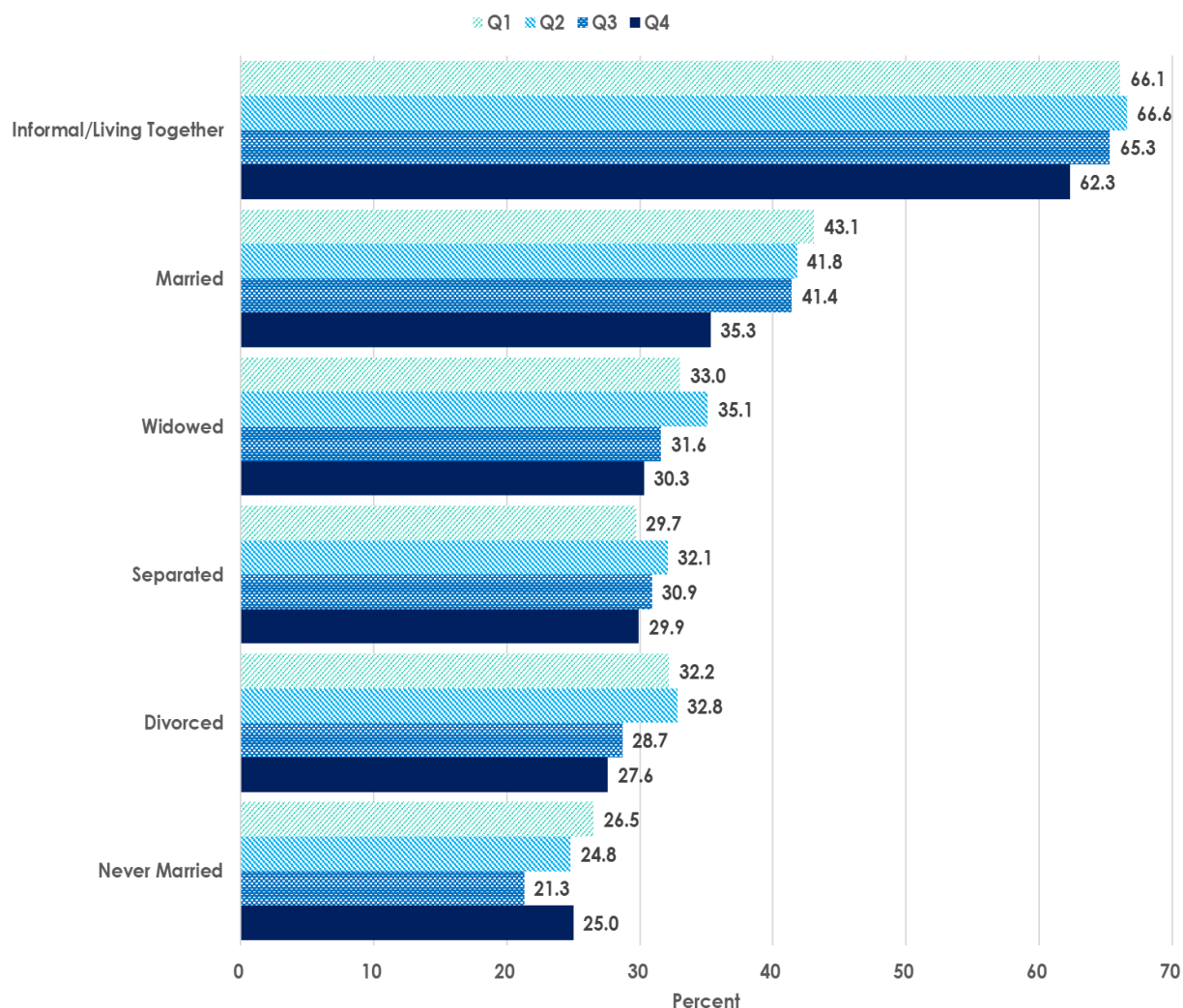
Multidimensional poverty is highest among household heads who work in the private informal sector with a decreasing trend from Q1 to Q4 (53.3% in Q1, 53.0% in Q2, 51.6% in Q3 and 50.1% in Q4). Households whose heads work in the public sector are less likely to be poor compared to those working in the private formal and private informal sectors across the four quarters.

FIGURE 2.13: MULTIDIMENSIONAL POVERTY BY ECONOMIC SECTOR OF HEAD OF HOUSEHOLD (PERCENT)



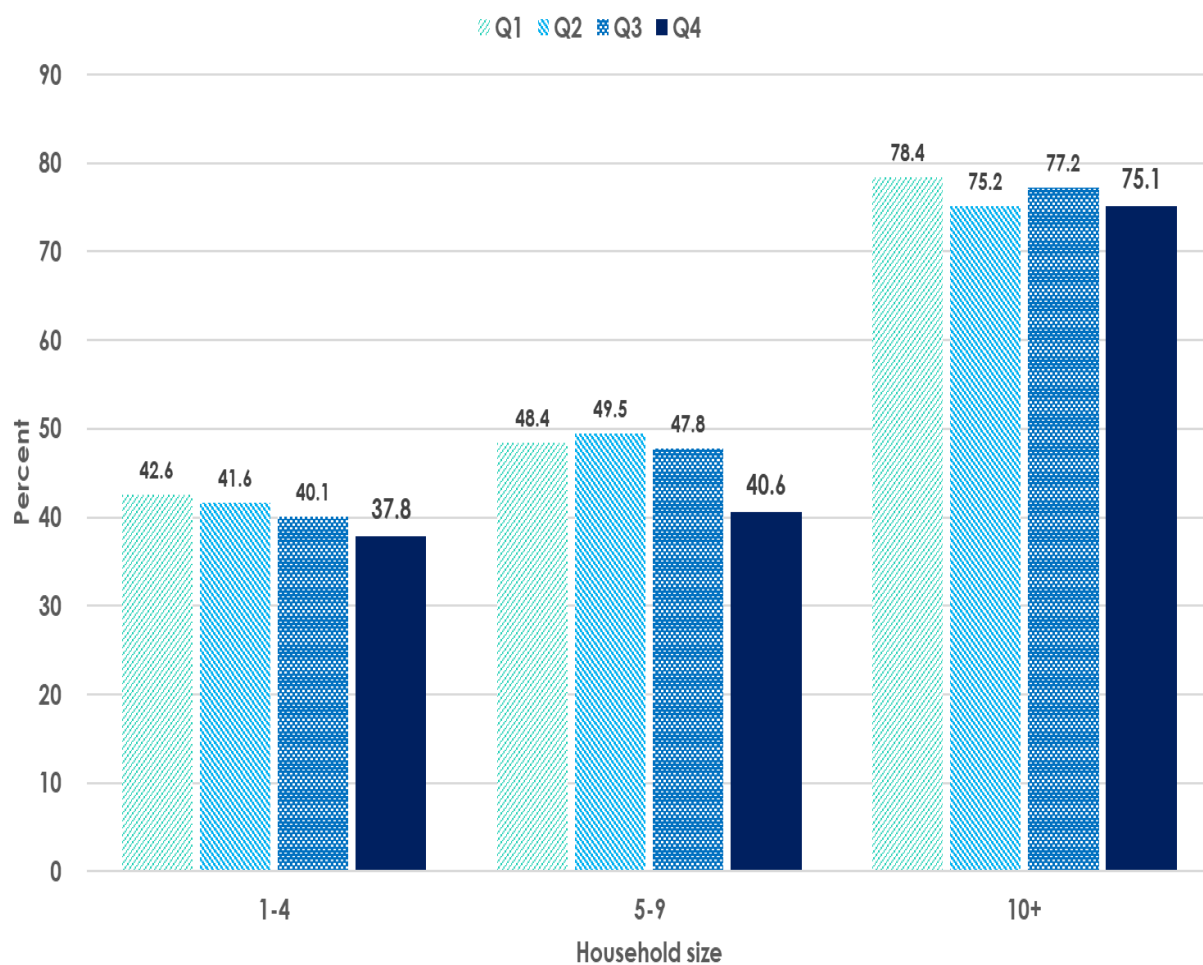
Households whose heads are working in the agricultural sector are poorer than those in the other two sectors in all four quarters: from more than 2.6 to 1.5 times poorer than those in services and about 1.8 to 1.7 times worse off than those in the industry sector in Q3 and Q4 respectively.

FIGURE 2.14: MULTIDIMENSIONAL POVERTY BY MARITAL STATUS OF HEAD OF HOUSEHOLD (PERCENT)



Households whose heads are in informal union are about two-thirds poorer (66.1% in Q1, 66.6% in Q2, 65.3% in Q3 and 62.3% in Q4) compared to those in other forms of marital status. The incidence of multidimensional poverty is lowest for households whose heads are married (35.3%) in Q4: about 27 percentage points difference between those who are in informal union or living together (62.3%) in Q4.

FIGURE 2.15: MULTIDIMENSIONAL POVERTY BY HOUSEHOLD SIZE (PERCENT)



Multidimensional poverty increases with household size. Households with ten or more members are most likely to experience multidimensional poverty, compared to households with five to nine and one to four members. Over seven in every 10 (77.2% in Q3 and 75.1% in Q4) households with 10 or more members are multidimensionally poor.

3. DEFINITION OF CONCEPTS

3.1. Multidimensional Poverty

This is a non-monetary measure of poverty that reflects the various areas in which the population may be deprived of their needs. It considers three dimensions; living conditions, health and education ; across 12 indicators. The indicators for living conditions include cooking fuel, water, assets, housing, overcrowding, electricity, and toilet facilities. For education, the indicators are school attendance, school attainment, and school lag. Health is measured through nutrition and health insurance coverage.

3.2. Incidence of Poverty (Who is Poor?)

The incidence or the headcount ratio, H , is the proportion of multi-dimensionally poor people in the population:

$$H = \frac{q}{n}$$

where q is the number of people who are multidimensionally poor, and n is the total population.

3.3. Intensity of Poverty (How Poor Are They?)

The intensity of poverty (A) reflects the average proportion of the weighted component indicators in which multidimensionally poor people are deprived. For multidimensionally poor people only (those with a deprivation score, s , greater than or equal to 33.3 per cent), the deprivation scores are summed and divided by the total number of multidimensionally poor people:

$$A = \frac{\sum_1^q s_i}{q}$$

where s_i is the deprivation score that the i th multidimensionally poor person experiences.

3.4. Censored Headcount Ratio

The censored headcount ratio of an indicator is the percentage of the total population or one of its subsets – who are deprived in that indicator. The weighted sum of the censored headcount ratios constitutes MPI. This means that a decrease in any deprivation of any poor person will decrease poverty as measured by the MPI. The censored headcount ratios only count a deprivation when the person who experiences it is also multidimensionally poor.

3.5. Uncensored Headcount Ratio

The uncensored headcount ratio of each indicator represents the proportion of the total population who are deprived in that indicator, irrespective of their poverty status. i.e., the percentage of all people – poor and non-poor – who are deprived in that indicator.

3.6. The MPI (Adjusted Headcount Ratio)

This is the product of incidence and intensity. It shows the share of possible deprivations that poor people experience. MPI ranges from zero to one, and a higher number signifies greater multidimensional poverty.

3.7. Household

This refers to a person or a group of two or more persons (related or unrelated) who live together, share housekeeping arrangements (eating and sleeping) and recognise one person as the head.

3.8. Head of Household

The head of household is a member of the household who is acknowledged by the other members as the head and has the primary responsibility for making major decisions on the household's living arrangements. The person, who could be either a male or female, may or may not be the main income earner of the household.

3.9. Sex of Head of Household

This refers to the sex of the primary decision-maker in a household and is categorized as either male or female.

3.10. Household Size

Household size is the number of persons recorded in the household during the interviewer's visit.

3.11. Household Population

Refers to persons enumerated in households.

3.12. Engagement in Economic Activity

This refers to work that contributes to economic production of goods and services. With regards to the Annual Household Income and Expenditure Survey (AHIES), the reference period was seven days, preceding the interview.

3.13. Economic Sector

The economic sector refers to the type of industry in which an individual is employed. These sectors are grouped as:

- a. Agriculture
- b. Industry
- c. Services

3.14. Sector of Employment

Employment sector refers to the legal organization and principal functions of the institution or enterprise with which a person is engaged. Employment sectors are categorised in this report as:

- a. Public (Government)
- b. Private Formal
- c. Private Informal
- d. Others

3.15. Level of Education

The level of education refers to the educational stages or subdivisions of formal learning attained by a person aged 3 years and older. Level of Education is categorised as:

- a. No education
- b. Basic
- c. Secondary
- d. Post secondary
- e. Tertiary
- f. Other

3.16. Locality

A locality is defined as an inhabited geographical area with a distinct name. It could be a village, city or town.

3.17. Type of Locality

Type of locality is classified in this report as either urban or rural where urban is a locality with a population of 5,000 or more and rural with a population of less than 5,000.

3.18. Marital Status

This is the civil status of a person aged 12 years or older. It may be one of the following cases:

- a. Informal union or living together: A person living together in a marital union but without civil or traditional recognition.
- b. Married (civil/ordinance): A civil marriage is a marriage contracted between two parties of the opposite sex under the Marriage Act. It could be a religious or non-religious legal marriage ceremony performed by a government official or functionary normally called a Registrar or a Gazetted Minister.
- c. Separated: A person who no longer has common living arrangements with the spouse but whose marriage has not been declared customarily or legally dissolved.

- d. Divorced: A person whose marriage has been annulled or dissolved either in a court of law or by custom and has not remarried.
- e. Widowed: A person whose last marriage ended because of the death of a spouse and has not remarried.
- f. Never married: A person who has never entered any formal or informal marital union.

4. LINK FOR ACCESSING TABLES

Detailed tables on the quarterly multidimensional poverty index can be accessed from: <https://statsghana.gov.gh/ahies/page/ahiesmpi.html> or by scanning the QR code below:





www.statsghana.gov.gh