Chapter 1

Poverty trends

This chapter provides an overview of poverty trends in Asia and the Pacific since the 1990s. It begins by examining monetary poverty through the lens of internationally comparable absolute poverty lines, establishing a baseline for regional analysis. To enable a more nuanced comparison across economies at different stages of development, the chapter then focuses on hybrid poverty lines which offer greater flexibility and better reflect variation within countries. Building on this regional and cross-country overview and to move beyond averages, the chapter then disaggregates monetary poverty statistics and identifies individuals and households who are the poorest within countries. Recognizing that poverty is a multidimensional phenomenon, the analysis then shifts to a comparable measure of acute multidimensional poverty across Asia and the Pacific, capturing deprivations in health, education and living standards. As with income poverty, the multidimensional overview is complemented by an empirical exercise highlighting disparities in the prevalence of multidimensional poverty within countries. The chapter concludes with a synthesis of key findings, noting the region's impressive achievements over time while acknowledging that poverty, in all its forms, continues to affect millions of people and that many more living in vulnerable situations remain unprotected from overlapping shocks and emerging crises.



Key messages

01

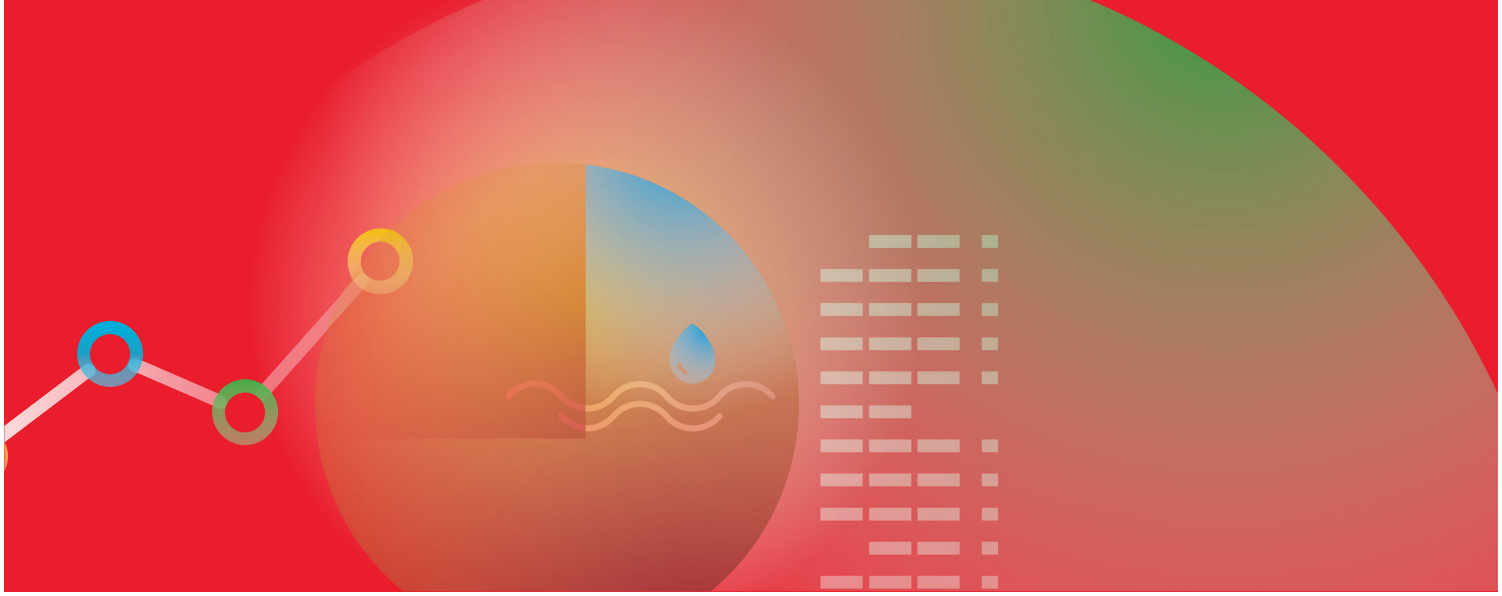
- **Extreme monetary poverty** has declined dramatically but persists in absolute numbers. While the average poverty rate in the region dropped from 50% in 1995 to 4% in 2024, 190 million people still live in extreme poverty, measured by the most recent international poverty line of $3 per day. Using hybrid poverty lines, 310 million people are classified as extremely poor, underscoring the scale of the challenge that remains.

02

- **Moderate monetary poverty** is more widespread. About 600 million people live below $4.20 per day and 2.2 billion people live below the international poverty line of $8.30 per day, as of 2024. This indicates that 13% and 47% people in the region, respectively, are monetarily poor.

03

- **Progress is uneven across subregions.** East and North-East Asia, and North and Central Asia have largely eliminated extreme poverty, while South and South-West Asia and several countries in the Pacific continue to record the highest poverty rates at 7% and 12%, respectively. South and South-West Asia has the largest number of people living in extreme poverty, with approximately 142 million people affected, followed by South-East Asia, with 39 million people in extreme poverty. The rapid reduction in monetary poverty observed since the late 1990s began to slow down since 2014 and decelerated further after 2020 amid pandemic and cost-of-living pressures. Based on hybrid monetary poverty lines, only about half of the population of the Asia-Pacific region is neither poor nor vulnerable. Close to 1.2 billion people across the region live very close to the poverty line and remain economically vulnerable.



04

- **While extreme and moderate poverty decline** alongside rising income levels, the share of the population experiencing economic vulnerability grows. Over a quarter of the population in upper-middle-income and high-income countries in Asia and the Pacific appear economically vulnerable, living just above the poverty line.

05

- **Within countries**, disparities are stark and rarely does a single circumstance identify the poorest. Common factors include larger households, rural residence and low education. Furthest-behind groups often face poverty rates 4 to 10 times those of the furthest-ahead groups, representing 12% of national populations on average. Deprivations beyond income remain substantial.

06

- **According to the global Multidimensional Poverty Index (MPI)**, 495.6 million people are multidimensionally poor and 659.9 million are vulnerable to multidimensional poverty. About 79% of MPI-poor individuals, or 389.8 million, live in the South and South-West Asia subregion. Across the region, 85% of MPI-poor live in rural areas. Leading deprivations include housing, nutrition, cooking fuel, sanitation and years of schooling.

07

- **Over time, there has been encouraging progress in reducing multidimensional poverty across the region**, with faster reductions in rural areas and impoverished regions. However, children remain disproportionately affected, in addition to older persons, persons with disabilities and women.

08

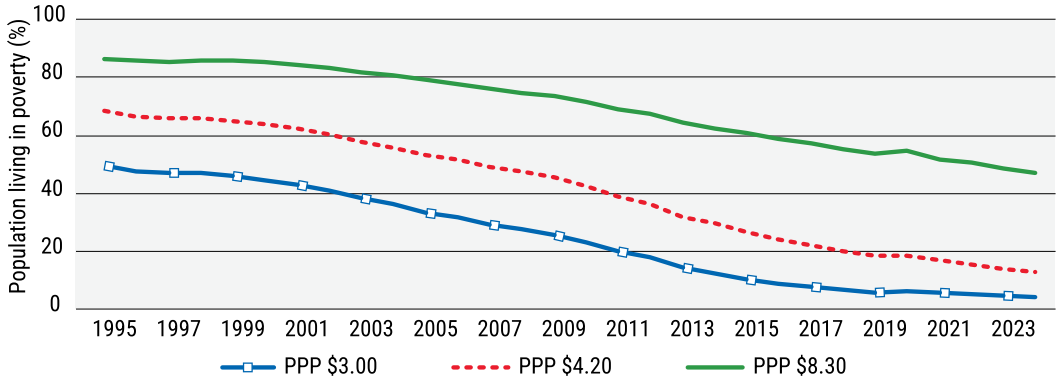
- **The findings of this chapter underscore the need for tailored, targeted and multidimensional policy approaches** to ensure that future progress in poverty reduction is both inclusive and resilient.

1.1. Monetary poverty in Asia and the Pacific

1.1.1. Monetary poverty with absolute poverty lines

Over the past three decades, the Asia-Pacific region has made remarkable progress in reducing extreme poverty. The share of the regional population living in extreme poverty, as measured by the most recent international poverty line of $3 per day, declined sharply from around 50% in 1995 to just 4% in 2024 (**figure 1.1**). This regional trend is strongly influenced by developments in China, whose large population and rapid poverty reduction have significantly affected regional aggregates. Excluding China, the region's extreme poverty rate was lower in 1995, at around 40%, and higher in 2024, at 5.7%. Nevertheless, even with China excluded, the region has demonstrated a clear and sustained downward trajectory in extreme poverty over the period. Despite this substantial progress, about 190 million people across the region still live in extreme poverty as of 2024, underscoring the scale of the remaining challenge.

Figure 1.1. Monetary poverty trends based on international poverty lines in the Asia-Pacific region (1995–2024)



Source: ESCAP calculations based on estimates from the World Bank Group, "Poverty and Inequality Platform", 2026. Available at https://data360.worldbank.org/en/dataset/WB_PIP (accessed on 4 June 2026).[1]

Note: PPP: purchasing power parity.

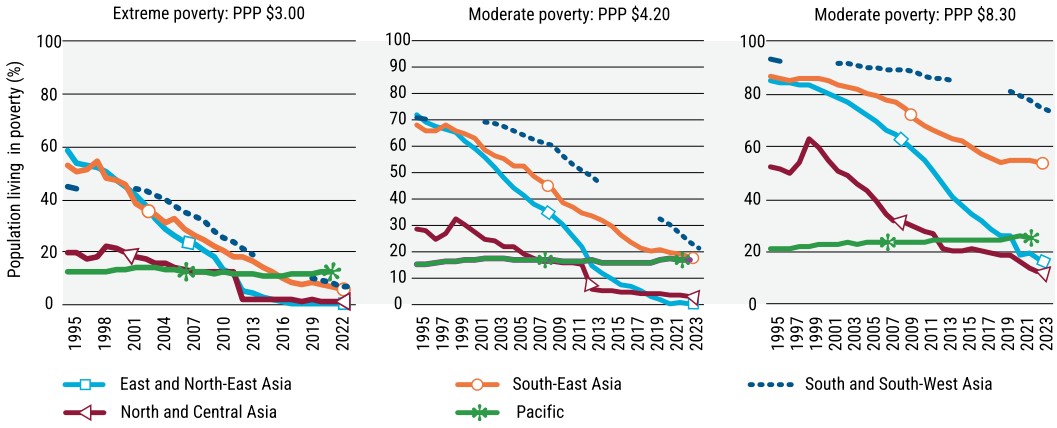
While extreme poverty has been nearly eradicated in high-income and upper-middle-income countries in the Asia-Pacific region, moderate poverty remains widespread, underscoring the importance of sustaining poverty reduction efforts beyond the extreme poverty threshold. Across the region, nearly 2.2 billion people live on less than $8.30 per day, and 600 million people live on less than $4.20 per day. As a result, moderate poverty measured at the $4.20 and $8.30 international poverty lines (in 2024) remains widespread and continues to affect 13% and 47% of the population, respectively. Among lower-middle-income countries, moderate poverty at the $4.20 line is over three times as prevalent as extreme poverty, highlighting the considerable vulnerability of households whose incomes remain just above the extreme poverty line. Upper-middle-income countries are by no means immune, with nearly 24% of the population living on less than $8.30 per day.

[1] Not all ESCAP member States and associated members have available data in the World Bank Poverty and Inequality Platform (PIP). In total, data is available for 56 ESCAP members and associated members. The following associated members are excluded due to the absence data in PIP: Cook Islands and Niue. As a result, they are not included in the calculation of the regional poverty headcount. Note that the poverty trend estimates include only countries with data coverage value greater than 0.5.

Together, these patterns point to the need for continued and targeted efforts to support those who remain economically vulnerable.

Across the Asia-Pacific region, there is large variation by subregions (figure 1.2). East and North-East Asia has experienced pronounced reductions in poverty, with extreme and moderate poverty nearly eradicated at the $4.20 line. Nevertheless, around one in seven people in the subregion still live on less than $8.30 per day. North and Central Asia has achieved comparable progress, with extreme poverty nearly eradicated and moderate poverty at the $4.20 line falling below 3%. South-East Asia has also experienced sustained declines across all international poverty lines, with extreme poverty reaching single-digit levels since 2018. However, moderate poverty remains widespread, with more than half of the subregional population living on less than $8.30 per day. In absolute terms, South and South-West Asia is home to the largest number of poor people in the region with approximately 129 million people in extreme poverty and 424 million people in moderate poverty under the $4.20 line, reflecting its large population size despite continued progress in poverty reduction. Poverty is also high among the Pacific small island developing States (SIDS),[2] which face unique challenges due to their size and remoteness.

Figure 1.2. Monetary poverty trends based on international poverty lines across Asia-Pacific subregions



Source: ESCAP elaborations based on estimates from the World Bank Group, "Poverty and Inequality Platform", 2026. Available at https://data360.worldbank.org/en/dataset/WB_PIP (accessed on 4 June 2026).

Notes:

- The trend line depends on the availability of country-level data. A blank or discontinuous segment indicates periods for which no country-level data are available for the respective region.
- PPP: purchasing power parity.

There are signs that progress in reducing monetary poverty is slowing, partly due to the impacts of the COVID-19 pandemic and the cost-of-living crisis in the wake of the war in Ukraine in 2022. While the Asia-Pacific region recovered more strongly than other developing regions immediately after the pandemic, the pace of poverty reduction slowed in 2022. Considering all three poverty lines over the period 1995–2024, the pace of poverty reduction was consistently faster for extreme poverty than for moderate poverty. Although the pace of reduction was fastest during 1999–2013, it had already begun to slow before the pandemic, during the period 2014–2019, across all three poverty lines (World Bank, 2024).

[2] Significant data availability constraints limit the assessment of poverty trends among the Pacific SIDS using the international poverty lines for recent years. The most recent available data from the World Bank dates back to 2012, when the extreme poverty rate was estimated at 29%.

Box 1.1. Measuring consumption-based monetary poverty

Monetary poverty is typically measured using total household expenditures or income, scaled to per capita or per adult equivalent terms, to account for the size and composition of households. This measure is then converted into a monthly or daily amount and compared against a fixed and pre-determined poverty line. When a household falls below that line, all household members are considered poor.

Each country establishes its own national poverty line based on its specific socioeconomic context. In Asia and the Pacific, most countries use absolute, expenditure-based poverty lines designed to reflect the cost of meeting basic food and non-food needs. While the underlying principle is the same – defining the minimum level of income or consumption required to secure a basic standard of living – countries differ in how they operationalize this measure. For example, Bangladesh uses multiple poverty lines to distinguish between lower and upper levels of deprivation. Indonesia uses different poverty lines for urban and rural areas, and further disaggregates them at the provincial level to capture spatial variations in living costs. Some upper-middle-income countries, such as Türkiye, use a relative poverty line, defining poverty as 50% of the national median total household disposable income, thereby linking poverty measurement to prevailing living standards rather than a fixed consumption basket.

National poverty lines reflect the basic needs assessment of each country, but they are not comparable across countries and time, as they tend to be significantly different in real value.[a] For cross-country analysis, the World Bank uses international poverty lines which provide a standardized benchmark that allows for global and regional comparisons across time. According to the latest estimates, individuals are considered extremely poor if they live on less than $3 per day, a threshold reflecting the median national poverty line of low-income countries. For lower-middle-income countries, $4.20 per day is the corresponding threshold, while $8.30 per day applies to upper-middle-income countries.

The international poverty lines are constantly updated and facilitate cross-country comparisons and aggregation of the number of poor people globally over time, but they have well-known limitations. Even when they are corrected for purchasing power parity (PPP), they do not fully capture differences in national price structures or living standards. Moreover, because they are rigid by construction to reflect a constant real value, they often become too low for countries that have experienced substantial income growth, risking underestimation of poverty especially in lower- and upper-middle-income countries. Furthermore, as countries get richer, the cost of meeting a minimally acceptable standard of living or functionings[b] typically increase.

For these reasons, poverty lines should be adjusted not only for prices but also for overall levels of income and development. Hybrid poverty lines offer a promising solution by combining an absolute component (capturing extreme poverty) with a relative component that reflects rising aspirations as countries grow. This approach, recommended by the Global Poverty Commission,[c] has already been operationalized as the societal poverty line by the World Bank[d] with results, including country-specific hybrid poverty lines, available online. Another hybrid framework, recently been developed by the United Nations Economic and Social Commission for Western Asia (ESCWA) is anchored in national poverty lines and embedded with a concave functional form as opposed to the World Bank's linear form.[e] These country-specific yet internationally comparable poverty lines

Box 1.1. continued.

have an absolute component that identifies people as extremely poor if they live on less than $2.15 per day or below two-thirds of the country-specific poverty line. Based on past ESCWA research, people living on more than $2.15 per day and/or above two-thirds of the poverty line, but below a vulnerability threshold, are identified as poor but not extremely poor.[f] The methodology also sets a vulnerability threshold at approximately 150% of the poverty line on average, based on a comparison between the ratio of the lower and upper national poverty line across a range of countries. This vulnerability threshold helps identify those who are above the poverty line but still lack the ability to save or invest, including for human capital. It can also be interpreted as a less strict definition of poverty. It should not, however, be interpreted as a direct measure of the risk of falling into poverty which also depends on the magnitude of shocks and the initial conditions of households that extend beyond their monetary means.

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[a] M. Ravallion, "Poverty lines across the world", in The *Oxford Handbook of the Economics of Poverty*, P. N. Jefferson, ed. (Oxford, Oxford University Press, 2012). Available at https://doi.org/10.1093/oxfordhb/9780195393781.013.0004.

[b] In Amartya Sen's approach, functionings refer to achieved outcomes in an individual's life including (i) elementary functionings such as being well-nourished and free from disease and (ii) complex functionings which relate to social achievements such as having self-respective, taking part in the life of the community, among others.

[c] World Bank, *Monitoring Global Poverty: Report of the Commission on Global Poverty* (Washington, D.C., 2017). Available at https://doi.org/10.1596/978-1-4648-0961-3.

[d] D. Jolliffe and E. B. Prydz, "Societal Poverty: A relative and relevant measure", vol. 35, No. 1 (2021). Available at https://doi.org/10.1093/wber/lhz018.

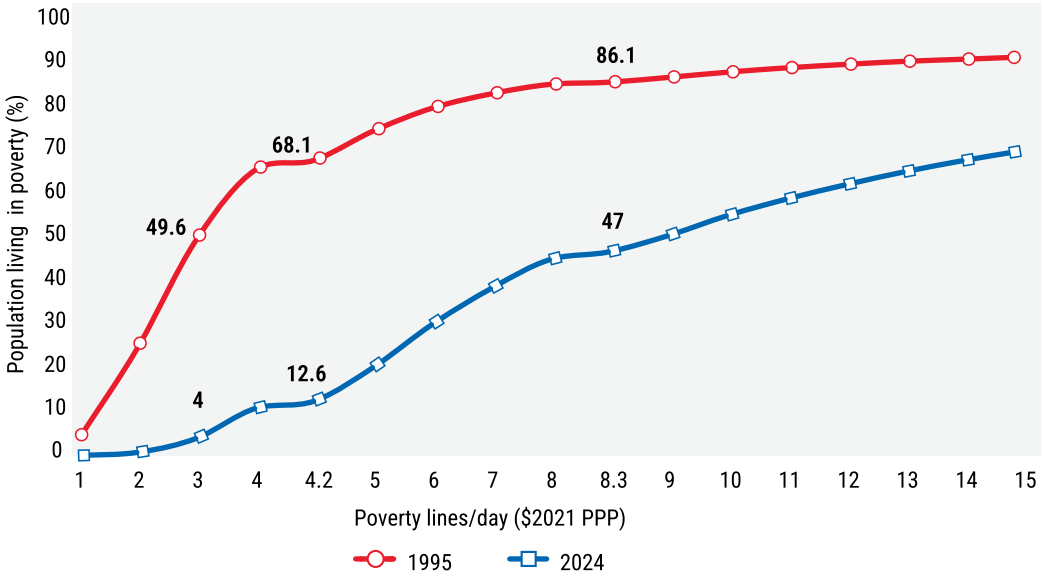
[e] United Nations Economic and Social Commission for Western Asia (ESCWA), *World Poverty Through a Broader Lens: Rethinking Measurement and Policy Approaches* (United Nations publication, 2025).

[f] Ibid.

1.1.2. Monetary poverty with hybrid poverty lines

Ideally, poverty should be assessed using alternative measures and multiple poverty lines, anchored by national thresholds yet comparable across time and countries (**box 1.1**). **Figure 1.3** illustrates the implications of relying on a limited number of poverty lines by estimating poverty across more than a dozen poverty thresholds. The slope of the trend line for 2024 is steepest between the two international poverty lines set for lower-middle-income and upper-middle-income countries, precisely where most economies in the Asia-Pacific region are situated. In this range, even small gains in growth can move many people out of poverty, while many others remain vulnerable to falling back into poverty. This is in stark contrast to the trend observed in 1995, when extreme poverty remained the dominant challenge and changes in higher poverty thresholds had less dramatic implications for poverty headcounts. **Figure 1.3** also demonstrates the significant progress achieved across the region, with poverty rates declining across all poverty lines.

Figure 1.3. Monetary poverty rates for the Asia-Pacific region by poverty lines, 1995 and 2024 (%)



Source: ESCAP calculations based on estimates from the World Bank Group, "Poverty and Inequality Platform", 2026. Available at https://data360.worldbank.org/en/dataset/WB_PIP (accessed on 5 June 2026).

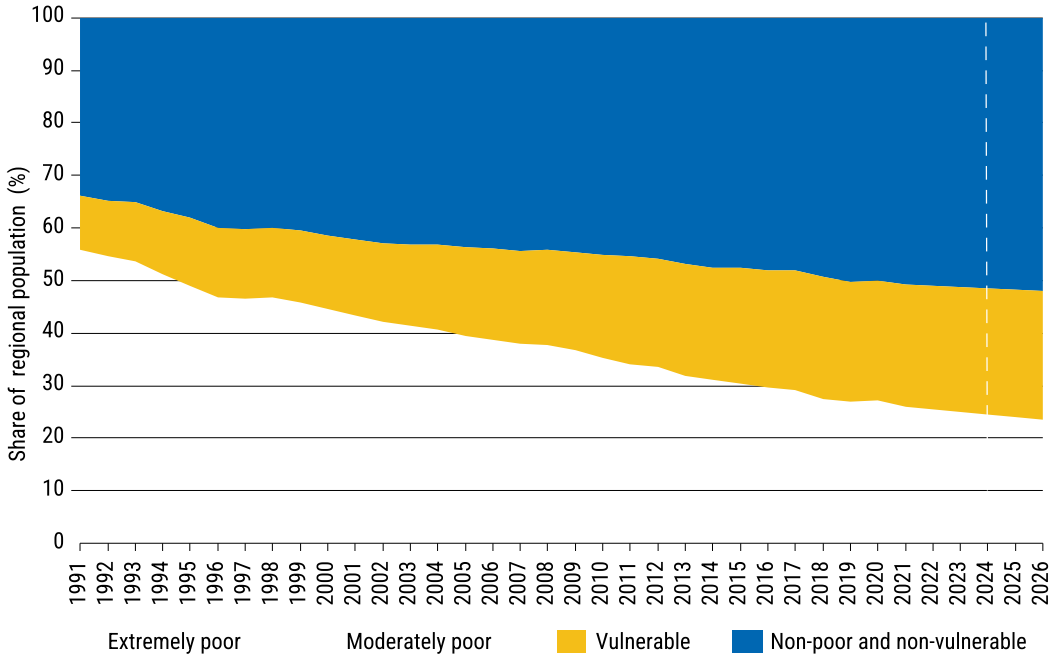
Note: PPP: purchasing power parity.

Based on hybrid poverty lines, more than 1.1 billion people across the Asia-Pacific region live in poverty in 2026, while an additional 1.2 billion people live above but very close to their respective poverty lines, leaving them economically vulnerable. To enable a meaningful regional comparison using country-specific and nationally appropriate poverty lines, hybrid poverty lines are estimated for each country (**box 1.1**). **Figures 1.4** and **1.5** present poverty trends for the Asia-Pacific region and its subregions from 1991 to 2024, including business-as-usual projections for 2025 and 2026. Based on this approach, extreme poverty declined substantially from 51% in 1991 to 7.4% in 2024 and is projected to further decline to 6.5% in 2026 (**figure 1.4**). In absolute terms, 310 million people remain extremely poor in 2024 as compared with 190 million people who live under the $3 per day international poverty line.[3] This discrepancy underscores the importance of applying nationally anchored yet internationally comparable poverty lines and provide a more accurate reflection of monetary poverty across diverse country contexts in the region. Beyond extreme poverty, 1.1 billion people live in poverty as of 2024 when hybrid poverty lines are considered. Furthermore, an additional 1.2 billion people are not poor but vulnerable as they live under 1.5 times the hybrid poverty line (**box 1.1**) and financially struggling with limited space to save or invest in human capital. In other words, just over half of the regional population or 52% is neither poor nor vulnerable as of 2024.[4]

[3] Note that the 190 million people in extreme poverty estimate is based on the latest revision of World Bank's PIP (version 0.11.1) which includes 56 countries and territories in Asia and the Pacific. The estimate of 310 million people in extreme poverty is based on a former version of PIP with fewer countries and the outdated extreme poverty line of $2.15 with 2017 PPP. Therefore, the latter estimate can be interpreted as a lower bound estimate on extreme poverty with hybrid poverty lines.

[4] The prevalence of monetary poverty based on World Bank's societal poverty line is 20.6% as of 2024, while ESCWA's methodology leads to a slightly higher estimate at 24.5%. The latter is used in this section in detail, since it is less likely to miss poor people, especially for upper-middle-income and higher-income countries.

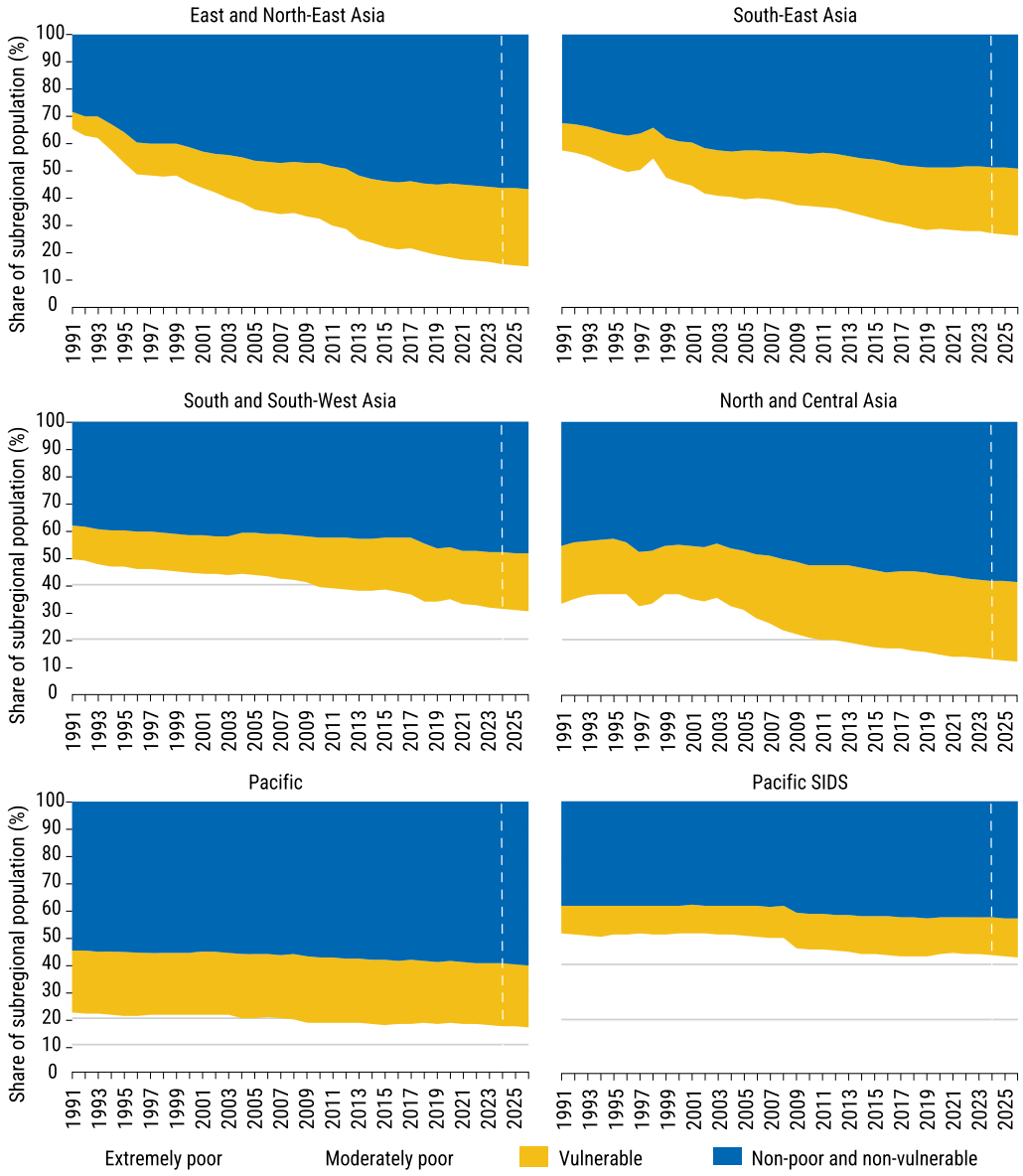
Figure 1.4. Monetary poverty trends and outlook based on hybrid poverty lines in Asia and the Pacific (1991–2026)



Source: ESCAP calculations based on ESCWA data and methodology. Data provided directly to ESCAP by ESCWA on 7 January 2026. Not publicly available.

Based on hybrid poverty lines, the East and North-East Asia subregion reduced extreme poverty dramatically, from 63% in 1991 to 2.1% in 2026, a trajectory broadly consistent with estimates derived from the international poverty line (figure 1.5). Despite this notable progress, 15% of the subregional population is living in poverty and a further 28% of the population lives above the poverty line but below the vulnerability threshold. In South-East Asia, extreme poverty decreased seven-fold over the same period. Nonetheless, 26% of the subregional population continues to live in poverty, with an additional 25% residing between the poverty and the vulnerability line. Trends in South and South-West Asia follow a similar pattern, though poverty reduction has progressed at a comparatively more modest rate. North and Central Asia has historically recorded much lower poverty rates than other subregions and in 2026 it continues to have the lowest rates of both extreme and moderate poverty in the region. The Pacific had similarly low poverty rates. However, when the analysis is re-calculated for the Pacific SIDS only, excluding Australia and New Zealand, poverty levels are substantially higher than those observed in South-East Asia, and South and South-West Asia.

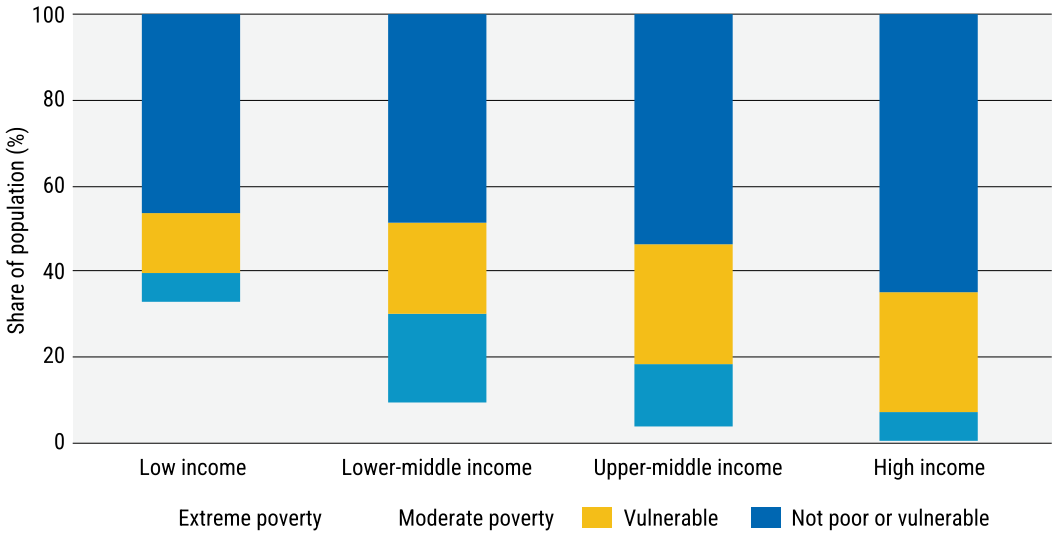
Figure 1.5. Monetary poverty trends with hybrid poverty lines across Asia-Pacific subregions (1991–2026)



Notes: ESCAP calculations based on ESCWA data and methodology. Data provided directly to ESCAP by ESCWA on 7 January 2026. Not publicly available.

While extreme poverty is almost absent in the region's high-income countries (figure 1.6), moderate poverty persists. This is mainly because nationally appropriate poverty lines in these countries or territories are considerably high and can exceed $20 per day. Prevalence of moderate poverty ranges between 2% and 23% among high income countries and between 7% and 30% among upper-middle income countries. In contrast, although extreme poverty is low in the majority of countries, there are a few low-income and lower-middle-income countries in South Asia and among Pacific SIDS where over 30% of the population lives in extreme poverty. This divergence highlights the region's substantial disparities in living standards and the differing thresholds used to define minimum acceptable living conditions.

Figure 1.6. Monetary poverty rates with hybrid poverty lines rates across the Asia-Pacific region by income status (2026)



Source: ESCAP elaborations based on ESCWA estimates. Data provided directly to ESCAP by ESCWA on 7 January 2026. Not publicly available.

As extreme and moderate poverty decline alongside rising income levels, the share of the population experiencing economic vulnerability seems to grow. In upper-middle-income and high-income countries, approximately a quarter of the population remains economically vulnerable, indicating that a substantial segment of society continues to face financial insecurity despite overall prosperity. These households are not only at risk of falling into poverty in the event of adverse shocks, but also struggle to make discretionary investments in human capital for the current and next generations, particularly in education, skills development and health. This lack of investment can contribute to persistent human capital deficits, especially in terms of quality, as explored in the next chapter. The persistence of such a large economically vulnerable group across the Asia-Pacific region is a worrying trend, raising concerns about the intergenerational transmission of disadvantage and the continued entrenchment of inequality in the region.

1.1.3. Within-country variations in monetary poverty

This section examines within-country variations in monetary poverty, moving beyond national averages to highlight disparities among different population groups by demographic and socioeconomic characteristics. It employs a supervised machine learning algorithm, which powers the ESCAP Leaving No One Behind (LNOB) Platform,[5] and enables a more granular analysis of poverty by capturing the intersectionality of multiple factors that define mutually exclusive groups within populations, especially those experiencing the highest poverty rate in the population (box 1.2). This approach allows for the identification of groups whose combined characteristics place them at significantly elevated risk of monetary poverty.

[5] The ESCAP LNOB Platform is available at https://lnob.unescap.org.

Box 1.2. The ESCAP Leaving No One Behind (LNOB) methodology

The ESCAP LNOB methodology is grounded on the understanding that poverty is shaped by the intersection of multiple personal and household characteristics. It recognizes that no single factor, such as age, sex, location, education or disability status, is sufficient on its own to identify the poorest population groups. Instead, the unique combination of several circumstances determines who is most likely to be left behind. With fewer assumptions and restrictions, the methodology uses data-driven analysis to detect patterns directly from household survey data. Through a supervised machine-learning approach, it identifies the sequence of disaggregation and relative importance of factors that best explain differences in poverty rates, allowing the most disadvantaged groups to emerge empirically from the data.

In the case of monetary poverty, the LNOB algorithm is used to analyse the latest available Household Income and Expenditure Survey (HIES) or Income and Living Conditions Surveys (ILCS) in 25 countries across the Asia-Pacific region. In 17 out of 25 countries, these surveys were available for the 2022–2024 period, while in 8 countries they are relatively older and were collected during the 2018–2021 period. As these are comprehensive surveys collecting information about household consumption expenditures and sources of income, they form the basis of measuring and reporting the share of national population living below the national poverty line in SDG indicator 1.2.1.

The LNOB analysis is conducted at the individual level. This means that when a household's per-capita consumption or income falls below the national poverty line, each household member is identified as a poor person. This approach aligns with the measurement framework used for SDG indicator 1.2.1, which requires poverty to be assessed for all individuals living in poor households. In doing so, the approach implicitly assumes that there is no inequality within households. The standard LNOB disaggregation model includes age, sex, education, location and size of household, as the main factors or circumstances that can explain variation in the prevalence of poverty across individuals within a country. Where data permits, the analysis is extended to incorporate additional characteristics that may further differentiate poverty outcomes. These include region or province of residence, disability status of household members, ethnicity and/or language of head of household, and migration status of households. Indigenous populations are rarely captured in household survey data in sufficient numbers to support direct analysis. However, ethnicity and province or region of residence can serve as indirect proxies and signal poverty prevalence which can be higher than average households.

It is important to emphasize that the LNOB methodology does not allow for causal interpretation.[a] Since it is a non-parametric methodology, no post-estimation results are shared below. It is also not necessarily comparable to single factor cross-tabulations presented by data producers since the LNOB algorithm prioritizes intersections of multiple factors. When only one factor is included in the disaggregation model, the LNOB algorithm produces an identical result to standard disaggregation results.

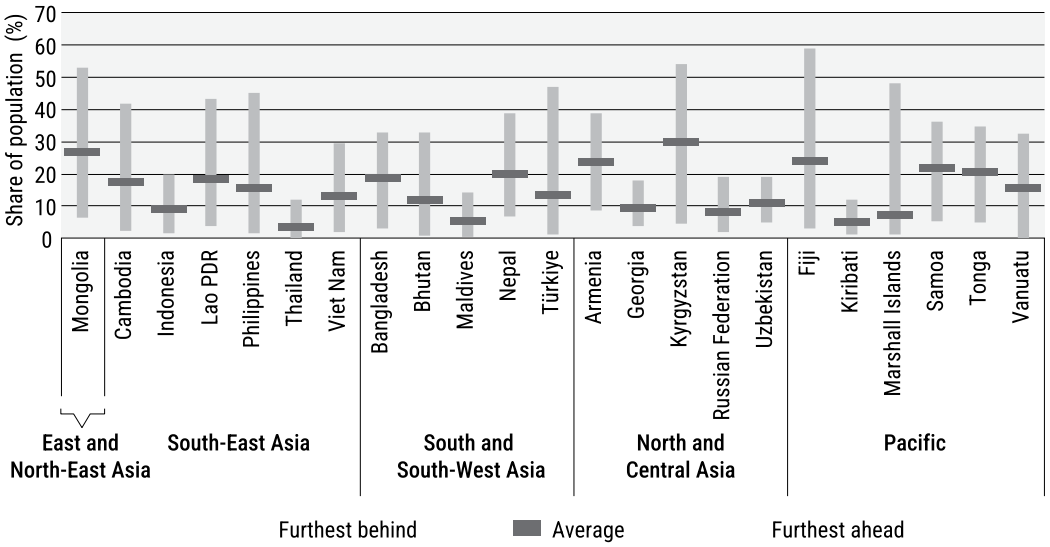
[a] Technical details on the LNOB methodology is available at https://lnob.unescap.org/index.php/methodology.

Figure 1.7 illustrates poverty disparities across ESCAP subregions, indicating the range of poverty rates within each country. The grey bar represents the national average poverty rate. The orange bar represents the furthest-behind group or individuals among whom poverty rate is the highest. On the other extreme, the blue bar represents the furthest-ahead group, or those with the lowest poverty prevalence. The latter two groups are identified by the LNOB methodology (**box 1.2**).

There are several takeaways. First, monetary poverty rates differ sharply between the furthest-behind and the furthest-ahead groups in most countries. In North and Central Asia, poverty is four times more prevalent among the furthest-behind groups relative to the furthest-ahead groups. In many other countries of the region, the gap between these two groups is over tenfold, underscoring the depth of inequality hidden beneath national averages. The magnitude of gaps is broadly similar in lower-middle-income and upper-middle-income countries. Only a small number of countries show relatively narrow gaps, indicating a small variation around national poverty rate.

Second, the furthest-behind groups tend to lie much further from the national average than the furthest-ahead groups. This reflects the fact that the furthest-behind groups are relatively small and therefore carry less weight in the national average. On average, they represent only 12% of the national population, so their high poverty rates have limited influence on national averages. Relying on national averages or disaggregating them by a single factor, can easily overlook the groups facing the highest level of deprivation. With large and up-to-date administrative data, countries have the opportunity to apply more advanced and rigorous methodologies to identify groups even at district or neighbourhood levels, and target interventions more effectively.

Figure 1.7. Within-country variation in monetary poverty across Asia-Pacific subregions



Source: ESCAP elaborations based on LNOB methodology. Available at https://lnob.unescap.org/index.php/methodology.

Note: This applies to household survey data. National poverty rates are validated against the published reports of HIES except for Cambodia and Fiji for which PIP results are taken as benchmark. Bangladesh poverty rates refer to those calculated using the upper poverty line. Viet Nam has shifted to a multidimensional poverty line to monitor national poverty, and the analysis applied the income-based monetary thresholds specified in the multidimensional measure. The country-specific average poverty rates in figure 1.7 are not comparable because they are based on national poverty lines. For regional comparison, the results presented in Section 1.1 prevail.

The LNOB methodology also identifies the shared and intersecting characteristics that define the furthest-behind groups. Findings indicate that household size is the most important factor in the disaggregation process followed by location of residence.[6] Specifically, households living in rural areas with more than six members are most likely to have the highest poverty rates. Educational attainment is the next most influential factor and frequently intersects with household size and/or location. Individuals with no education are often much worse off than individuals with primary or secondary education, while those with tertiary education have the lowest poverty rate.

The results suggest that once household size and location is accounted for, factors such as age, sex and disability status of individuals are much less likely to explain the variation in poverty prevalence within countries. This is partly because poverty is estimated at the household level which limits the possibility to capture inequality within the household. Large households, for example, tend to include more children, which helps explain why household size emerges as a stronger differentiating factor than age alone. More detailed analysis reveals that in about one-third of the countries, children living in poorer regions or in rural households with more than four household members experience higher poverty than other age groups (see **box 1.3** for additional evidence on monetary poverty among children). In terms of gender, women living in rural households with more than six household members are furthest behind in three countries and the lack of education further amplifies the prevalence of poverty among women living in rural and remote areas. There is no robust evidence of higher poverty prevalence among households with persons with disabilities. However, this result should be interpreted with caution as not all countries collect data on disability status and, due to measurement and sampling challenges, disability prevalence tends to be under-reported. Disability-focused multidimensional poverty measures better capture poverty among persons with disabilities (**box 1.6**). Similarly, ethnicity and minority status also often encounter measurement challenges in household surveys. The LNOB analysis found evidence for relatively higher poverty rates among specific ethnic groups only in the Lao People's Democratic Republic and Viet Nam. In 15 countries, province or region of location mattered as much as urban-rural residence in identifying groups with the highest poverty prevalence, particularly among large households with lower levels of education in specific areas.

The migration status of household members also matters, depending on whether a household includes members who have emigrated abroad or is composed of immigrants. Moreover, the pattern varies across the Asia-Pacific region. In the Pacific SIDS, households with emigrants are generally better off, especially when they receive substantial remittances, reflecting that higher emigration costs mean that only individuals from middle or high-income households can afford to emigrate. In contrast, in some Central Asian countries, households with emigrants are poorer than households with no emigrants. This reflects that lower emigration costs within North and Central Asia make migration accessible to poorer households as well. Evidence from a few countries also reveals that individuals who have never migrated, particularly those living in remote areas have higher poverty rates than people who migrated, especially to urban centres, within their own countries of origin. Immigrant households in destination countries in the region are often not captured by household surveys as many labour migrants live in temporary structures on the work-site or, in the case of domestic workers, within the household of the employers. Their, often inadequate, housing suggests that the income levels of migrants are far below the average income in destination countries and many people are near-poor (Sheill, 2022).

[6] Large households can benefit from economies of scale which is not accounted for in the methodology as the main outcome is measured at per capita terms which may lead to an overestimation of poverty prevalence in larger households. For more details, see Dean Jolliffe and Samuel Kofi Tetteh-Baah, "Identifying the poor – Accounting for household economies of scale in global poverty estimates", *World Development*, vol. 179 (July 2024). Available at https://doi.org/10.1016/j.worlddev.2024.106593.

Box 1.3. Monetary poverty among children in Asia and the Pacific

Monetary poverty affects millions of children across countries in the Asia-Pacific region, with levels varying widely depending on how poverty is measured.[a] Based on national poverty lines, child poverty is relatively low in countries such as Azerbaijan, Bhutan, Sri Lanka, Thailand, Viet Nam, Malaysia, the Maldives and Kazakhstan (below 10%), but remains very high in Afghanistan (55%), Timor-Leste (42%), Myanmar (31%), Mongolia (28%) and Armenia (27%).[b] In several populous countries, including India, Bangladesh, Pakistan and the Philippines, more than one fifth of children live below national poverty thresholds.[c]

Applying international poverty lines (pre-2025) reveals much broader economic vulnerability among children.[d] While extreme child poverty at $2.15 per day is lower, it still affects 8% to12% of children in countries such as India, the Philippines, Timor-Leste and the Lao People's Democratic Republic. At higher thresholds, especially $6.85 per day, child poverty rises sharply, exceeding 80% in parts of South and South-East Asia, including India, Bangladesh and Pakistan. Even in middle-income countries, many children live below the $6.85 line, including China (27.0%), Indonesia (65.8%), Georgia (59.5%), Fiji (65.7%) and Türkiye (18.1%), highlighting widespread exposure of children to monetary poverty (living in a monetary poor household).

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[a] D. A. Salmeron-Gomez and others (2023), "Global trends in child monetary poverty according to international poverty lines", Policy Research Working Paper WPS 10525, World Bank Group (2023). Available at https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099835007242399476.

[b] See UNICEF Data. Available at https://data.unicef.org/sdgs/#country-map; Sri Lanka, Department of Census and Statistics, *Poverty Indicators 2019* (2022). Available at https://www.statistics.gov.lk/Resource/en/Poverty/PovertyIndicators-2019.pdf ; United Nations Children's Fund (UNICEF) Myanmar and others, *Overcoming Child Poverty in Myanmar* (2020). Available at https://www.unicef.org/myanmar/reports/overcoming-child-poverty-myanmar.

[c] See UNICEF Data. Available at https://data.unicef.org/sdgs/#country-map; Philippines (the), Philippine Statistics Authority, "Fisherfolks and farmers remain to have the highest poverty incidences among the basic sectors in 2021", Press release, 24 March 2023. Available at https://psa.gov.ph/content/fisherfolks-and-farmers-remain-have-highest-poverty-incidences-among-basic-sectors-2021.

[d] D. A. Salmeron-Gomez and others (2023), "Global trends in child monetary poverty according to international poverty lines", Policy Research Working Paper WPS 10525, World Bank Group (2023). Available at https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099835007242399476.

A key takeaway from the analysis is that rarely does one circumstance alone identify the poorest people within countries. The furthest-behind groups are identified by the intersection of two to three circumstances in over three-quarters of the countries across the region. The same applies for the groups with the lowest poverty rates. The implication is that poverty analysis should be localized taking into account individual and household circumstances simultaneously. The results can offer insights for design and implementation of policies that aim to reduce vulnerability, build resilience and ultimately empower people to escape poverty once and for all.

1.2. Multidimensional poverty in Asia and the Pacific

1.2.1. Global Multidimensional Poverty Index (MPI)

There is wide agreement that poverty cannot be understood in monetary terms alone, as such measures capture only one aspect of deprivation and may overlook other critical factors affecting people's well-being. This section therefore examines non-monetary dimensions of poverty to provide a more comprehensive assessment of poverty. SDG target 1.2 calls for reducing poverty in all its dimensions, recognizing the multidimensional nature of poverty beyond the lack of money. These dimensions include health and nutrition, education and living standards, and are closely related to the capabilities approach developed by Amartya Sen, which highlights the lifelong implications of access to opportunities from an early age onward (Sen, 1997). The global Multidimensional Poverty Index (MPI) is a widely used international measure of non-monetary poverty, capturing acute deprivations in health, education and living standards with 10 indicators related to SDG 1, 2, 3, 4, 6, 7 and 11 (**box 1.4**). The 2025 edition of the global MPI data includes estimates for 34 developing countries in Asia and the Pacific.[7]

Box 1.4. Global Multidimensional Poverty Index (MPI) methodology

The global MPI, developed by the Oxford Poverty and Human Development Initiative (OPHI), in collaboration with the United Nations Development Programme (UNDP), measures non-monetary poverty by considering acute deprivations in health, education and living standards across 10 indicators, including nutrition, child mortality, years of schooling, school attendance, cooking fuel, sanitation, drinking water, electricity and housing assets. These indicators follow a nested weight structure, in which each dimension is assigned a weight of one-third and indicators within each dimension are weighted equally. Individuals are considered multidimensionally poor if they are deprived in at least one-third (33.33%) of the weighted indicators, vulnerable to poverty if deprived in 20% to 33.32% of the weighted indicators, and severely poor if deprived in 50% or more of the weighted indicators. Individual-level data is aggregated into three population-level metrics: the incidence of poverty (H), the intensity of poverty (A) and the MPI score. The incidence of poverty (H) represents the share of the population that is multidimensionally poor. It forms the basis of the main results presented in this report and is conceptually more comparable to monetary poverty rates. The intensity of poverty (A) represents the average number of weighted deprivations experienced by multidimensionally poor individuals. The MPI score is the product of H and A, and represents intensity-adjusted poverty. The 2025 global MPI results are based on the most recent surveys from 109 countries between 2013 and 2024, covering 92% of the population in developing regions. These estimates primarily rely on internationally comparable Demographic and Health Surveys (DHS) and Multiple Indicator Cluster Surveys (MICS).

Key advantages of the global MPI include its comprehensive coverage of deprivations, integration of both incidence and intensity (although inequality among the poor is not incorporated in the index itself but is presented separately), international comparability, and flexible and transparent methodology that allows for dimensional breakdown and

[7] Country results in the global MPI database can be from different years due to data availability at the time of update. Among the 34 Asia-Pacific countries included, survey years range from 2014 to 2023. MPI in 11 countries are based on surveys with a start year before 2018: China (2014), Armenia (2015–2016), Kazakhstan (2015), Myanmar (2015–2016), Maldives (2016–2017), Papua New Guinea (2016–2018), Sri Lanka (2016), Timor-Leste (2016), Indonesia (2017) and Pakistan (2017–2018).

Box 1.4. continued.

disaggregation. The MPI framework and the underlying Alkire-Foster (AF) method have been further adapted to national contexts (in the case of national MPIs). The MPI methodology supports monitoring and reporting of multidimensional poverty, while enabling targeted policy actions.

However, the global MPI has several limitations. First, the metric uses households as the unit of poverty identification, which can mask inequalities within the household. For example, if one household member is undernourished, the entire household is considered deprived in the nutrition indicator. Moreover, the availability of data limits the range of indicators that can be measured. Survey years also vary across countries. To facilitate global aggregations of the number of people living in poverty, a fixed population year (currently 2023) is used. This approach relies on the strong assumption that poverty levels in the survey year are identical to those in the population year.

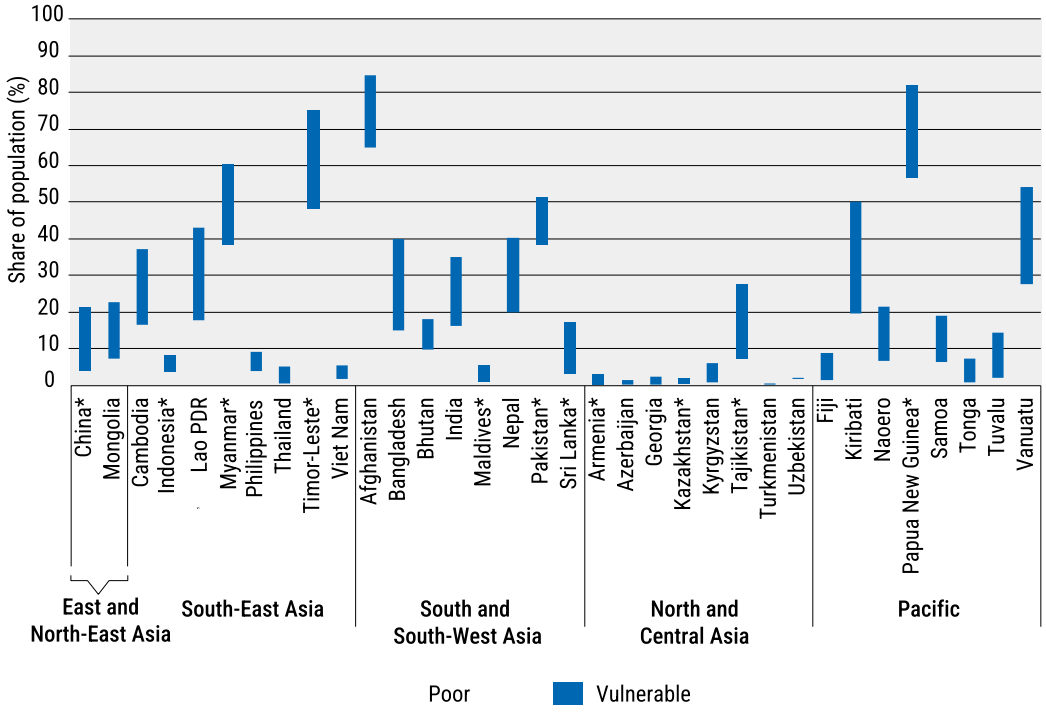
Source: More technical details on the global Multidimensional Poverty Index are available at https://ophi.org.uk/global-mpi.

The Asia-Pacific region is home to 495.6 million people living in multidimensional poverty. An additional 659.9 million people are considered vulnerable to multidimensional poverty.[8] Compared to the global level, the average share of multidimensionally poor people in region is lower at 12% and the share of vulnerable population is slightly higher at 16%.[9] Despite relatively low levels of multidimensional poverty on average, multidimensional poverty rates vary considerably within the region, ranging from 0.2% in Azerbaijan to 64.9% in Afghanistan, with a regional median of 5.1% (**figure 1.8**). The share of population vulnerable to poverty ranges from 0.2% in Uzbekistan to 30.2% in Kiribati with a regional median of 12.9% (figure 1.8). Notably, the South and South-West Asia subregion accounts for 79% of all MPI-poor individuals in the region, amounting to a total of 389.8 million people. In addition, 55% of the subregion's population is vulnerable to multidimensional poverty, equivalent to 361.1 million people.

[8] See box 1.4 for definitions and operationalization of MPI poor and vulnerable.

[9] Average poverty rates are weighed by population in 2023.

Figure 1.8. Multidimensional poverty rates in countries across Asia-Pacific subregions



Source: ESCAP elaborations based on OPHI Global MPI 2025, Table 1 National Results. Available at https://ophi.org.uk/global-mpi/2025.

Note: Poverty rates correspond to the year of individual surveys. Estimates for countries with an asterisk (*) are based on surveys conducted before 2018. They are included to cover more countries and reflect the latest evidence available but should be interpreted with caution.

Multidimensional poverty is more prevalent in least developed countries (LDCs),[10] where, with the exception of Tuvalu, every country has a multidimensional poverty rate above 15%, three times the regional median. Multidimensional poverty is less prevalent in upper-middle-income countries, where 12 out of 13 countries have a poverty rate below 4%. However, it remains prevalent in most of the lower-middle-income countries. Across subregions, countries in North and Central Asia, and East and North-East Asia have relatively low prevalence of multidimensional poverty, reflecting stronger performance in non-monetary dimensions of well-being. Twelve countries in the region have multidimensional poverty rates exceeding 10% of the population, with five countries in South and South-West Asia, four countries in South-East Asia and three countries in the Pacific. Importantly, countries with low multidimensional poverty can still have a large share of their population vulnerable to it (figure 1.8).

Where multidimensional poverty is more prevalent, people living in poverty tend to suffer more deprivations simultaneously. The five countries with the largest share of MPI-poor individuals, Afghanistan, Papua New Guinea, Timor-Leste, Pakistan and Myanmar, also have the highest number of deprivations among the poor. In these countries, MPI-poor individuals are, on average, deprived in 45%–65% of the weighted indicators.

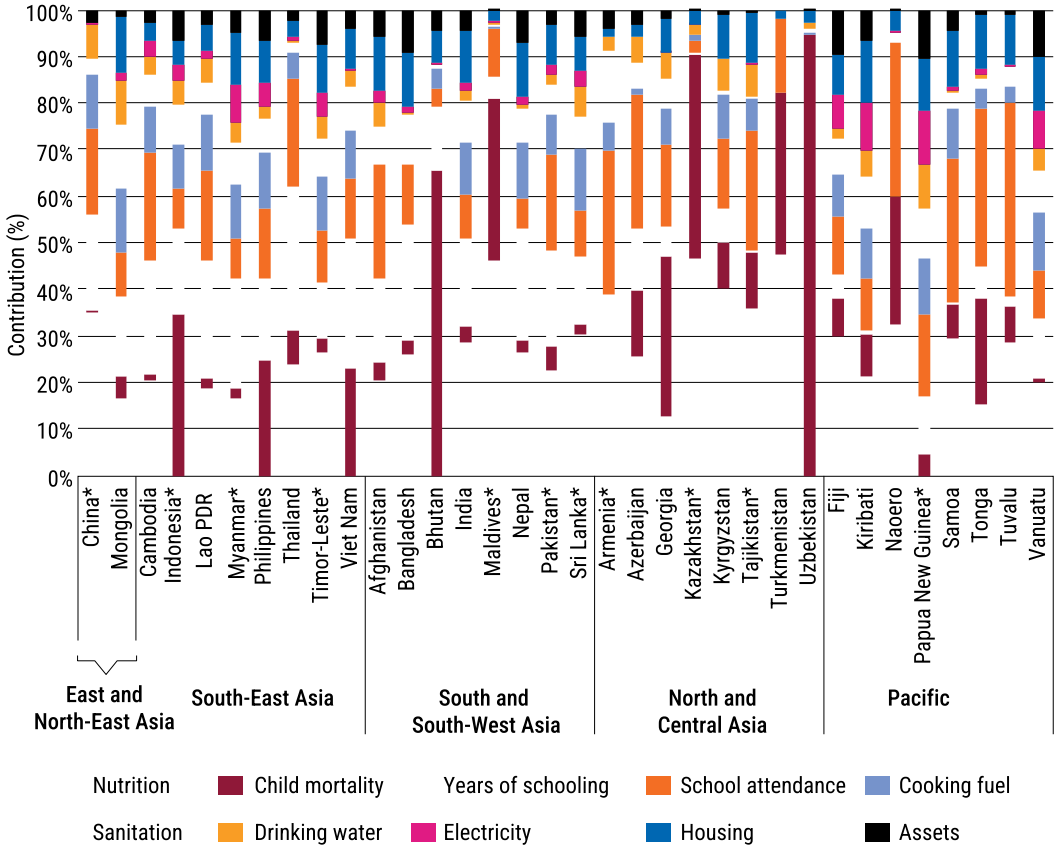
Housing, cooking fuel, nutrition, sanitation and years of schooling are the leading deprivations in Asia and the Pacific. At least 1 in 10 people living in multidimensional

[10] MPI data is available for 9 out of 10 LDC members of ESCAP, except Solomon Islands.

poverty experience these deprivations. Within the MPI-poor population, 93.0 million people live in households built with inadequate housing materials; 77.5 million people still rely on solid fuels for cooking; 75.0 million people live in households with at least one undernourished member; 72.5 million people lack access to basic sanitation; and 64.0 million people live in households where no member has completed six years of schooling.

At the national level, the composition of multidimensional poverty varies (figure 1.9).[11] In 16 countries, deprivation of nutrition accounts for the largest share of MPI. By contrast, deprivation in school attendance among school-aged children is the largest contributor in several Pacific SIDS, including Naoero, Papua New Guinea, Samoa, Tonga and Tuvalu, as well as in Afghanistan and Azerbaijan. Deprivation in the years of schooling contributes the most to MPI in Mongolia and in the majority of countries in South-East Asia.

Figure 1.9. Contribution of individual deprivation indicators to Multidimensional Poverty Index (MPI) in countries across Asia-Pacific subregions (%)



Source: ESCAP elaborations based on OPHI Global MPI 2025, Table 1 National Results. Available at https://ophi.org.uk/global-mpi/2025.

Note: Estimates for countries with an asterisk (*) are based on surveys conducted before 2018.

[11] Note that 10 of the 34 countries with available data have 9 indicators instead of 10. Six countries are missing the nutrition indicator, three are missing cooking fuel, and one is missing housing. Percentage contribution of deprivations accounts for indicator weights, so health and education deprivations tend to have higher contribution to MPI relative to their prevalence among the poor.

Besides variations between countries, disaggregation also reveals substantial geographic inequalities and a stark rural-urban divide within countries. In 25 out of 29 countries with subnational MPI estimates, the poorest region has a multidimensional poverty rate that is more than 1.5 times the national average. In 12 countries, the poverty rate in the poorest region is at least double the national rate, indicating persistent pockets of poverty. Across the region, multidimensional poverty is consistently higher in rural areas, where 85% of people living in poverty reside, amounting to a total of 419.5 million people. In all 34 countries with available data, poverty in rural areas is higher than in urban settings. In 26 countries, people living in rural areas experience at least twice the poverty rate compared to urban populations.

Across age groups, children are consistently more likely to live in multidimensional poverty. Nearly one in five children under the age of 18, or 216.6 million children, live in poverty. In every country except Uzbekistan, the poverty rate among children between 0 and 17 years of age exceeds that of the rest of the population. In 14 out of 34 countries, child poverty rates are more than 1.5 times higher than the national average. Older persons can also be more vulnerable. In 24 out of 34 countries, people aged 60 and above are more likely to be multidimensionally poor as compared to the 18 to 59 age group. In total, 54.9 million older persons in the region live in multidimensional poverty. Disaggregation by sex of the household head shows that in 16 of 33 countries,[12] people living in female-headed households experience higher poverty than those in male-headed households. Additional evidence reveals more nuanced gender inequalities: in South Asia, girls are more likely than boys to be MPI-poor and out of school in most countries studied, while boys face greater risk in one country (Alkire and Haq, 2025). Alternative data sources and multidimensional measures provide further evidence on specific vulnerabilities faced by population groups such as children and persons with disabilities (**boxes 1.4** and **1.5**), although they may not be directly comparable with global MPI results.

Multidimensional poverty has declined in the Asia-Pacific region over time.[13] Among the 21 countries with such data, 20 have reduced their multidimensional poverty rates; 19 have reduced the absolute number of MPI-poor individuals; and 13 have halved their multidimensional poverty rates within 12 years. Notably, China has more than halved the number of multidimensionally poor within just five years: 69.6 million fewer people lived in multidimensional poverty in 2014 compared to 2010, and 81.9 million fewer people were vulnerable. Between 2005 and 2021, India successfully reduced its multidimensional poverty rate from 55% to 16%, with 415 million fewer MPI-poor individuals, driven by improvements across all 10 indicators of deprivations. Bangladesh, Cambodia, India, the Lao People's Democratic Republic, Nepal and Timor-Leste have shown the fastest annual reduction of over 2 percentage points. Moreover, subnational results reveal encouraging pro-poor trends. In all countries that have reduced poverty at the national level, poverty reductions in absolute terms were greater in rural areas; in 16 countries, the poorest regions saw the fastest decline in multidimensional poverty.

However, progress slowed after the COVID-19 pandemic. Almost all 17 Asia-Pacific countries with trend data before 2021 recorded statistically significant reductions in

[12] Data on household head is not available for China.

[13] Evidence of multidimensional poverty trends is scarce largely due to data limitations. OPHI published harmonized country estimates in Global MPI 2025 edition, which provides some results for MPI trends over time. The declining trend is also supported by another study for earlier periods, which uses two alternative multidimensional poverty measures constructed at the individual level with three dimensions (work, education and health). In the study, all 11 countries from the Asia-Pacific region registered statistically significant poverty reduction during a period of six years or longer since 2000, and top performers with the fast poverty reduction by MPI headcount ratios also outperform under the alternative measures. While deprivations in all three dimensions have improved over time, the employment dimension saw the smallest progress. See: F. Burchi and others, "Assessing Trends in Multidimensional Poverty During the MDGs", *Review of Income and Wealth*, vol. 68 (March 2022). Available at https://doi.org/10.1111/roiw.12578.

multidimensional poverty rates in at least one pre-pandemic period.[14] Among the 10 countries with trend data ending in 2021–2022 or later, 6 countries continued to exhibit statistically significant reductions in multidimensional poverty, though at a slower pace than before the pandemic, except for Cambodia.[15] Meanwhile, poverty rates increased in two countries: Afghanistan (from 2015–2016 to 2022–2023) and Kyrgyzstan (from 2018 to 2023). Overall, regional trends mirror the global picture with continued declines in multidimensional poverty but slower progress after the pandemic (UNDP and OPHI, 2025).

As countries in the region successfully reduce acute deprivations, they should continue to anchor efforts towards long-term well-being and resilience of people by adjusting the MPI to local context. Localizing the MPI helps better reflect national context and priorities, and inform policymaking, although the results are not comparable across countries or with the global MPI. So far, 14 Asia-Pacific countries have introduced a national MPI,[16] which often includes additional indicators or uses alternative data sources to unpack a broader range of issues and further disaggregate results. Rebasing MPI, especially in low-MPI countries, helps reflect the rising societal aspirations and ensure its continued policy relevance. Notably, Bhutan introduced a Moderate MPI in 2023, raising the bar of measuring non-monetary poverty 10 years after launching its original MPI. After rebasing its national MPI, 17.8% of the population of Bhutan was considered to be living in moderate multidimensional poverty in 2022, as compared with 2.1% under its original national MPI. The revamped MPI continues to serve as a powerful tool to inform budget allocation, and to monitor and evaluate development plans and programmes (Bhutan and OPHI, 2023).

Some countries also go beyond measuring current poverty rates and incorporate emerging challenges that contribute to future poverty, using a survey-based multidimensional measurement approach similar to MPI. For example, the Maldives developed a Multidimensional Vulnerability Index (MVI) to measure vulnerabilities exacerbated by the COVID-19 pandemic to inform policy responses, including indicators relevant to direct pandemic impacts, such as employment, housing and chronic health condition (Maldives, Bureau of Statistics, 2021). The MVI of Sri Lanka complements its national MPI by capturing vulnerability and adaptive capacity in the face of both economic and climate shocks, supporting proactive policy actions and resilience building (UNDP, 2023).

Measuring non-monetary poverty from multiple dimensions complements the monetary poverty measures, providing a broader understanding of who lives in poverty and the specific deprivations they experience. The overview of MPI in this section reveals that millions of people in the region live in multidimensional poverty and that significant inequalities exist between and within countries. Over time, trends indicate encouraging progress in reducing multidimensional poverty across the region, with faster improvements in rural and the poorest areas. It also acknowledges efforts to rebase national poverty measures to better reflect national contexts and guide policy actions. While the disaggregation of MPI by location and demographic characteristics illuminates patterns of those more vulnerable, it is important to recognize that people often face multiple disadvantages that compound their risk of poverty. The next section will further explore the intersectionality of various factors that contribute to multidimensional poverty.

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[14] According to OPHI Global MPI 2025 trends over time data table, Armenia (from 2010 to 2015–2016) shows a significant poverty reduction at the 10% level, indicating a desirable trend but weaker evidence, while the other 16 countries show significant reductions at the 5% or 1% levels. It is worth noting that the poverty rate was already below 0.5% in Armenia in 2010.

[15] Cambodia has seen a faster annualized decline in poverty rate during 2014–2022 compared to 2010–2014.

[16] Afghanistan, Armenia, Bangladesh, Bhutan, India, Malaysia, the Maldives, Nepal, Thailand, Samoa, Sri Lanka, Pakistan, the Philippines and Viet Nam. See Oxford Poverty & Human Development Initiative (OPHI), "Timeline of national MPIs", 2026. Available at https://ophi.org.uk/timeline-national-mpis (accessed on 5 June 2026).

Box 1.5. Multidimensional poverty among children

Multidimensional child poverty in the Asia-Pacific region has been measured using various methodologies, including the Multidimensional Poverty Index (MPI), the Multiple Overlapping Deprivation Analysis (MODA) and material deprivation estimates.[a] These analyses have been adapted to national contexts to capture country-specific dimensions of child well-being and are therefore similar but not fully comparable across countries. While global and national MPIs can be disaggregated by age group to measure child poverty, child-focused MPIs cover more child-specific deprivations. For example, the national MPI in Sri Lanka was complemented by a linked individual child MPI for children under 5 years of age, which added a new dimension of early childhood deprivations to the national MPI structure.[b] The weights and cut-offs were adjusted to identify children living in MPI-poor households and individually deprived children from non-poor households. As a result, the poverty rate among children under 5 years of age stood at 42.2% in the child MPI in 2019, three times higher than the national MPI. A linked MPI for children under 18 years of age, published in Afghanistan,[c] includes indicators related to child nutrition, education and development and finds that 77.6% of children were multidimensional poor in 2022.

Thailand[d] and Kyrgyzstan[e] have developed a standalone official child MPIs, where a higher share of indicators is measured at the child level. Latest estimates find that 34.3% of children in Thailand in 2022 and 41.3% of children in Kyrgyzstan in 2023 were multidimensionally poor, with a declining trend. In China[f], Indonesia[g] and the Republic of Korea,[h] studies comparing monetary and multidimensional child poverty find higher levels of multidimensional poverty as compared with monetary poverty among children. For example, in Indonesia, 11.8% of children lived in monetarily poor households as compared with 37.4% who lived in multidimensional poverty in 2023. Similarly, the 2023 Child Welfare Survey data of Georgia[i] shows a higher child poverty rate at 37.8% measured by material deprivation and compared with the monetary poverty rate of 19.6%. Furthermore, materially-deprived children are four times more likely to have disabilities than non-deprived children. In general, multidimensional poverty analyses using children as the unit of analysis, reveal a wide range of vulnerabilities among children and bring a nuanced understanding of the nature and scope of their deprivations. Recent child focused multidimensional deprivation studies are available for Fiji, Georgia, Indonesia, Kiribati, Samoa, Tonga, Tuvalu, Uzbekistan, Vanuatu and Viet Nam.

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[a] United Nations Children's Fund (UNICEF) (2026). *Beyond Growth and the Poverty Line: Policy Choices Shaping Children's Present and Future*., New York.

[b] Sri Lanka, Department of Census and Statistics, United Nations Children's Fund (UNICEF) and Oxford Poverty and Human Development Initiative (OPHI), *Sri Lanka's Multidimensional Poverty Index 2019 Results: National and Child Analyses* (2023). Available at https://www.unicef.org/srilanka/reports/sri-lankas-multidimensional-poverty-index-2019-results.

[c] United Nations Children's Fund (UNICEF) and Oxford Poverty and Human Development Initiative (OPHI), *Afghanistan's Adjusted Multidimensional Poverty Index (Based on MICS 2022–23) and Child Multidimensional Poverty Index* (2024). Available at https://ophi.org.uk/publications/AFG-Adjusted-MPI-2022-23-2024.

[d] Office of the National Economic and Social Development Council (NESDC), *Child Multidimensional Poverty in Thailand 2022* (2026). Available at https://www.nesdc.go.th/download/ความยากจนหลายมิติของเด-2.

[e] National Statistical Committee of the Kyrgyz Republic and United Nations Children's Fund (UNICEF), *Multidimensional Assessment of Child Poverty in the Kyrgyz Republic 2023* (2024). Available at https://stat.gov.kg/media/files/dec258aa-dfc9-497f-91b1-04dd86ffb6ed.pdf.

[f] Q. Gao and Y. Wang, "Child Multidimensional Poverty in China", United Nations Children's Fund (UNICEF) and Columbia University China Center for Social Policy (2021). Available at https://www.unicef.cn/en/reports/child-multidimensional-poverty-china.

Box 1.5. continued.

[g] SMERU and others, *Multidimensional Child Rights Deprivation in Indonesia* (2025). Available at https://www.unicef.org/indonesia/social-policy/reports/multidimensional-child-rights-deprivation-indonesia.

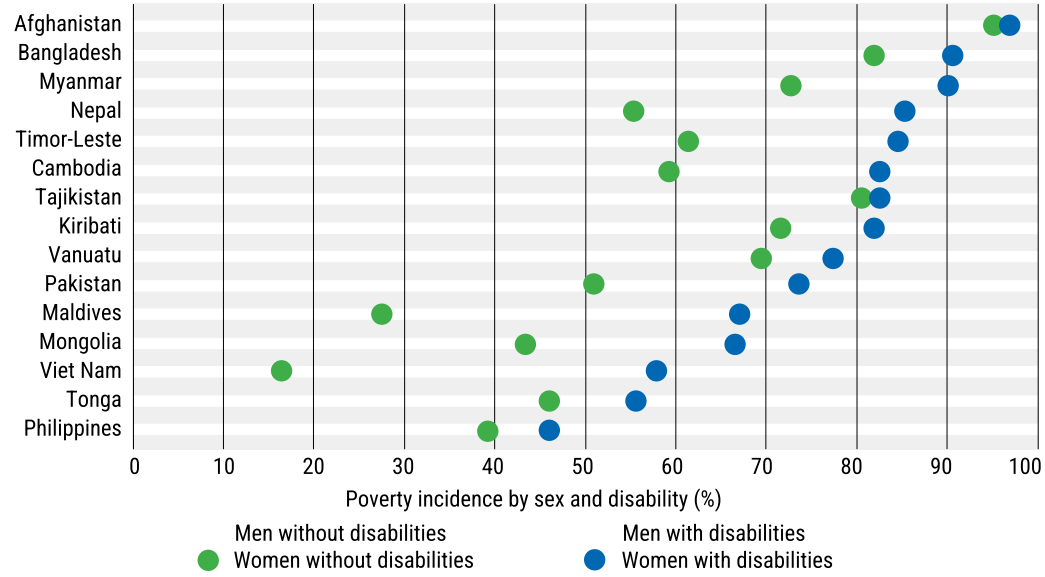
[h] S. Weon, M. Pomati and S. Nandy, Multidimensional child poverty in South Korea: Developing measures to assess progress towards the Sustainable Development Goals. *Journal of Poverty and Social Justice*, vol. 32, No. 2 (2024). Available at https://doi.org/10.1332/17598273Y2023D000000009.

[i] United Nations Children's Fund (UNICEF), *Child Wellbeing in Georgia 2023* (2023). Available at https://www.unicef.org/georgia/reports/child-wellbeing-georgia-2023.

Box 1.6. Multidimensional poverty among persons with disabilities

There is growing evidence on higher poverty risks faced by persons with disabilities, supported by increasing availability of disability data in household surveys. The Disability Data Initiative has developed a multidimensional poverty measure for adult population following the Alkire-Foster method. The measure identifies poverty status at the individual level and adds a personal activities dimension. The results are available for 15 Asia-Pacific countries based on various surveys from 2009 to 2022. In these countries (**figure 1.10**), persons with disabilities face higher poverty rates than persons without disabilities; in eight of these countries, persons with disabilities are at least 30% more likely to live in poverty. Disaggregating by sex and disabilities further reveals intersectionality. Regardless of disability status, women face higher poverty risks than men, and women with disabilities are the most disadvantaged. The gap in poverty rates between women with disabilities (most disadvantaged) and men without disabilities (least disadvantaged) range from 17 to 47 percentage points (**figure 1.10**).

Figure 1.10. Multidimensional poverty incidence, by sex and disability (%)



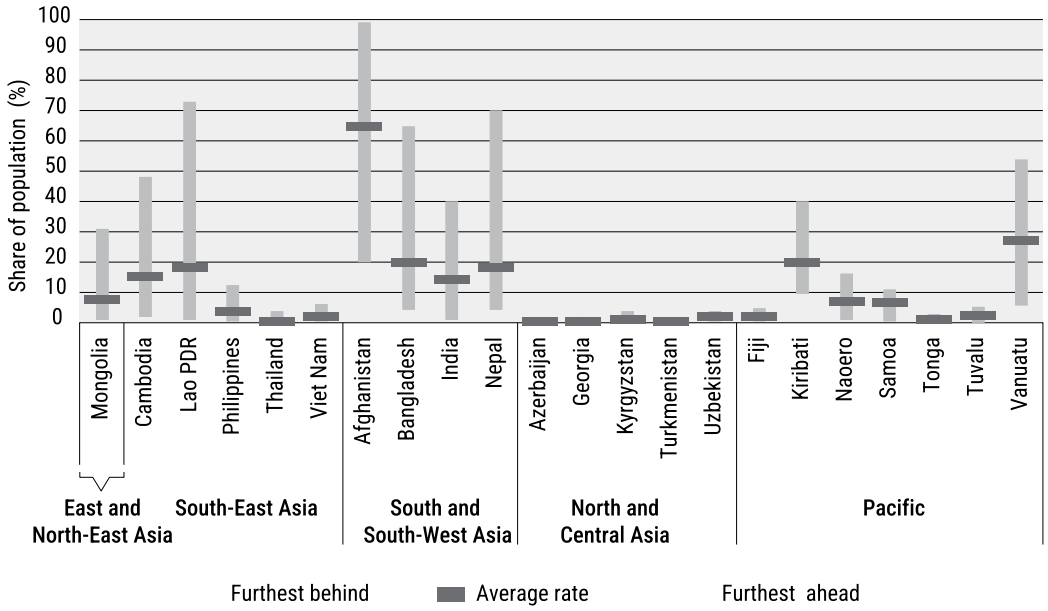
Source: ESCAP elaboration based on Disability Data Initiative, "Disability Statistics Database (DS-E)". Available at https://www.ds-e.disabilitydatainitiative.org/DS-E/ (accessed on 26 February 2026).

1.2.2. Within-country variation in multidimensional poverty headcount

Similar to section 1.1.3, the LNOB algorithm is used to unpack within-country variations in headcount of multidimensional poverty associated with the MPI in 22 countries across the Asia-Pacific region based on the Demographic and Health Surveys (DHS) and Multiple Indicator and Cluster Surveys (MICS). The period of analysis ranges from 2018 to 2023 with most surveys collected during the 2021–2023 period. Figure 1.11 provides an overview of the proportion of the population that is multidimensionally poor in each country, with a focus on the national average and the two extreme groups.

The prevalence and the range of multidimensional poverty are relatively low in most countries with available data. The North and Central Asia subregion stands out for its relatively low prevalence and small gaps between the furthest-ahead and the furthest-behind groups. By contrast, South-East Asia and the Pacific show greater variation, with several countries in each subregion exhibiting higher multidimensional poverty and wider gaps in poverty rates. In countries where both prevalence and inequality in MPI are high, the furthest-behind groups remain far above the national average, indicating that these groups represent a relatively small share of the population. It is important to highlight that the global MPI measures acute levels of multidimensional poverty. Moderate MPI, which is an extension of the global MPI that captures moderate levels of multidimensional poverty, revises the standards and poverty cut-offs upwards demonstrating a significantly higher poverty headcount in Bangladesh and Thailand (Alkire and others, 2023).

Figure 1.11. An overview of within-country variation in multidimensional poverty across Asia-Pacific subregions



Source: ESCAP elaborations based on LNOB methodology applied to household survey data. Available at https://lnob.unescap.org/index.php/methodology.

Note: National poverty rates are validated against the report from United Nations Development Programme (UNDP) and Oxford Poverty and Human Development Initiative (OPHI), *Global Multidimensional Poverty Index 2025 – Overlapping Hardships: Poverty and Climate Hazards*, Global MPI Reports (2025). Available at https://ophi.org.uk/publications/gMPI16-2025.

Applying the LNOB algorithm to the global MPI headcount shows that educational attainment of household members is the most important driver of gaps between those who are MPI-poor and those who are not. In 13 out of 22 countries analysed, education is the most important variable identified by the algorithm for LNOB disaggregation. In 18 out of 22 countries, education is one of the circumstances that eventually identifies the furthest-behind group with the highest global MPI headcount. Education is not a shared circumstance of furthest-behind individuals only in Georgia, Kiribati, Naoero and Uzbekistan. In general, people with lower than secondary education are much more likely to be MPI-poor than those with upper secondary and tertiary education. This is followed by household size, which is the defining circumstance in 7 out of 22 countries, while in 14 countries household size intersects with other circumstances in identifying the furthest-behind group. Similar to the analysis of within-country variation in monetary poverty, households with more than six members are significantly worse off.

Age is another major factor distinguishing furthest-behind groups in multidimensional poverty, which is predominantly experienced by children and young people. The MPI captures inequality within the household better than monetary poverty measures because specific dimensions of MPI relate to children's education, health and nutrition. In 9 out of 22 Asia-Pacific countries, children between the ages of 0 and 14 years are the furthest behind. Young people, between 15 and 24 years of age, are among the furthest behind in 4 countries, while older persons are furthest behind in 3 out of 22 countries. Location of residence matters to a much lesser extent: in only 3 out of 22 countries – Kiribati, the Philippines and Uzbekistan – the furthest-behind individuals live in rural areas. This result may appear in contrast with the previous discussion of higher multidimensional poverty in rural areas and is likely driven by other factors in the model, such as lower levels of educational attainment and larger size of households in rural areas relative to urban areas. The LNOB disaggregation finds that MPI is the lowest in urban areas in 11 out of 22 countries especially among individuals with secondary or tertiary education living in households with fewer than six household members. Finally, LNOB disaggregation does not find any evidence for sex, disability status and minority status as shared characteristics of the groups who experience the highest levels of multidimensional poverty. Similar to monetary poverty disaggregation, intersectionality of individual and household circumstances is important and rarely does a single circumstance identify the poorest group. In many countries the intersection of age, education and household size identified the furthest behind, as children and the youth living in larger households with no or lower education are much more likely to be multidimensionally poor.

Box 1.7. Limitations to empirical analysis of poverty trends

While this chapter provides a comprehensive overview of trends in monetary and multidimensional poverty, several limitations need to be acknowledged. First, poverty is estimated at household level which obscures inequalities within households, especially by gender, age and disability status. Without individual poverty metrics, it remains difficult to measure poverty among children, women, older persons and persons with disabilities, despite emerging innovative approaches that analyse individual deprivations alongside the global MPI for South Asian countries.[a] Second, poverty headcount has been the main focus of the chapter with no analysis of depth of monetary poverty using poverty gap statistics to explore the differences in poverty rates among poor people. Third, spatial variation in poverty may be underestimated where cost-of-basic needs assessments are applied only at the national level. Fourth, the cross-sectional surveys used for the analyses

Box 1.7. continued.

in this chapter cannot capture the dynamics of poverty; limited longitudinal evidence from the region reveals that households experience diverse poverty trajectories, some transiently, others chronically, each requiring different policy responses.[b] Fifth, while there is a growing number of countries in the region which conduct regular household surveys, many countries, especially the Pacific SIDS, where poverty rates remain high, lack capacity to do so. This poses major challenges for monitoring short-term fluctuations in poverty, especially during economic, health, or climate-related shocks and limits the ability to carry out detailed disaggregation. At the same time, regional poverty estimates are influenced by countries with large populations in the region. When surveys are not up-to-date in such countries, nowcasting poverty in view of shocks remains elusive as household incomes and expenditures cannot be updated. Finally, quantitative measures alone cannot fully capture the local, complex and multidimensional nature of poverty, and it is important to complement them with qualitative methods to deepen understanding of the factors driving deprivation. Equally important is recognizing not only people's deprivations and unmet needs but also their capacities, resilience and resources which shape how households cope with and escape poverty.

[a] S. Alkire and R. Ul Haq, "Analyzing Individual Disadvantages alongside Household Poverty to Illuminate Gendered and Intrahousehold Disparities", OPHI Working Papers 146, Oxford Poverty & Human Development Initiative (OPHI), University of Oxford (2025). Available at https://ophi.org.uk/Publications/WP-146.

[b] M. Roig and M. Jimenez, "The Dynamics of Poverty – Creating Resilience to Sustain Progress", Future of the World Policy Brief 160, Division for Inclusive Social Development, United Nations Department of Economic and Social Affairs (2024). Available at https://doi.org/10.18356/27081990-160.

1.3. Conclusion

The Asia-Pacific region has made remarkable progress in reducing poverty in all its forms over the last three decades. Extreme monetary poverty measured by the absolute international poverty line fell from 50% in 1995 to 4% in 2024. Similarly, a sharp decline is observed when applying hybrid monetary poverty lines. In the case of multidimensional poverty measured by the global MPI, many countries in the region halved their MPI value in less than 15 years, due to improvements in education, health and living conditions. Overall, millions of people moved out of poverty across the region, albeit with some variation across countries in the speed and quality of poverty reduction.

Despite this progress, poverty persists as a significant challenge with uneven gains across countries, subregions and population groups. While extreme monetary poverty has declined sharply, moderate monetary poverty and economic vulnerability persist on a large scale, and many people remain just above the poverty line with limited ability to weather shocks. Prevalence of poverty remains high especially in subregions where large segments of the population are exposed to risks from extreme weather hazards. Within countries, monetary poverty is highly concentrated among specific, often small, furthest-behind groups, shaped by intersecting disadvantages such as rural residence, low education and large household size. Multidimensional poverty, though less prevalent across much of the region, reveals vulnerabilities among children, youth, older persons and those living in remote or poorer regions, with progress slowing in the post-pandemic period. Taken together, these findings underscore the need for tailored, targeted and multidimensional policy approaches to ensure that future progress in poverty reduction and people's empowerment is both inclusive and resilient.

Looking ahead, poverty reduction in the region faces significant challenges. Reducing or eradicating extreme poverty, as measured by the global MPI, is no longer a sufficient target given the development level of most countries in the Asia-Pacific region. Besides the need to lift the remaining 7.4% of individuals out of extreme monetary poverty, hybrid lines need to ensure that progress extends to all and that new targets are set to reflect countries' evolving development status and rising societal aspirations. Doing so will provide a more accurate picture of vulnerability and ensure that policies address the large population that still lives just above the extreme poverty level. Almost half of the population in the region remains economically vulnerable as they are either in poverty or too close to poverty. In terms of multidimensional poverty, the current global MPI, which measures acute multidimensional poverty only, should be complemented by a moderate MPI that incorporates higher indicator standards, such as school attendance beyond primary education, water piped onto the premises, Internet access and gendered educational attainments (Alkire, 2022). When assessed at higher benchmarks or more aspiring non-monetary dimensions, poverty reduction remains incomplete, especially in South and South-West Asia and among the Pacific SIDS. Some deprivations, such as undernutrition in South Asia, also remain challenges that cast a long shadow over children's life chances.

Finally, progress in poverty reduction continues to be disrupted by overlapping shocks and challenges, including accelerating climate change, widening inequality, rising debt burdens, conflict, geopolitical tensions and uncertainty in trade flows and commodity prices. Accelerating and sustaining poverty reduction will therefore require comprehensive, integrated and inclusive policies that address immediate needs and support people to build better and more resilient livelihoods over the long term. The trends and disaggregated analysis presented in this chapter offer a first step in informing inclusive policies while highlighting the need for further country-specific analysis to better understand the drivers of poverty and tailor interventions accordingly. The next chapter examines drivers of poverty in greater detail.