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Identifying extreme poor

a review of criteria applied in targeted programs

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Criteria for identifying and targeting extreme poor: a review

1. Introduction

Most programs on safety nets are targeted. Thus, defining the target population and translating the latter into operational terms are two essential pre-requisites for these programs. Save the Children UK (SCUK), with funding support from Dfid-Shiree/EEP, is implementing a project on economic and food security for extreme poor in six upazilas of Khulna and Bagerhat districts¹. The Project intends to directly reach 15,000 extreme poor (EP) households during 2009-2012 through a Household Economic Security (HES) model.² Much effort is given in the SCUK project as well as in other Shiree projects, in identifying EP households before transferring resources and providing other services. Whether targeting a pre-defined set of households is a better approach to development than some other approaches, is not addressed in this paper³. In stead, it is assumed that development agencies are keen on identifying the EP households in the coastal upazilas; and the exercises undertaken in this paper aim at illustrating some of the issues involved in identifying EP. In the process, some broad conclusions are arrived at to guide the practices in identifying EP households in coastal southwest.

The following section looks into conceptual issues that tie in a definition of extreme poor with the purpose of targeting a program and with the proxy measures that allow one to identify EP. Various methods of such indirect inferences are discussed to illustrate the problems involved in the identification process. Section 3 reviews various practices in identifying poor (and/or extreme poor) as reported by various Non-Government Organizations (NGOs), the focus being primarily on coastal southwest. The section also draws upon several household level survey data to get additional insights into observables that may better identify EP households. The final section looks into the selection criteria currently followed by the SCUK in Dfid-Shiree funded project; discusses the lessons as experienced (and reported) by the field staffs; and converges to a set of criteria that may help in identifying EP households. As will emerge from the discussion, the process of selection is no less important than the criteria of selection.

¹ The upazilas include Dacope, Koyra and Paikgachha in Khulna district; and Mongla, Morrelganj, Rampal upazilas of Bagerhat district.

² As reported in the SCF Project Memorandum of April 2009, SCUK-HES considers household as an economic unit and addresses all factors that contribute to the poverty situation of the unit – being sensitive to all household members; addressing all sectors affecting food security and at all pertinent levels. The report also illustrates the model by specifying the path of graduation and suggesting ‘processes, tools and methodologies and principles’ applied to achieve the graduation.

³ One approach assumes that transferring resources, productive assets and skills, directly to poor households will help reducing poverty. Another approach, not necessarily mutually exclusive, may aim at promoting activities at *meso* levels and/or amongst non-poor actors, which lead to increases in pro-poor employment and income. A second paper will address some aspects of the latter approach.

2. Purpose, Targets and Proxy Observables

In most instances, target population is identified in statement of purpose of a development undertaking. For example, providing improved sanitation to residents in urban slums, distributing *khas* land to the landless in an area, transferring relief materials to cyclone-affected households, are stated objectives that identify a target population. One may however note that urban slum-dwellers, and to some extent, cyclone-affected households are observables; but ‘landless’ is not. In the last case, one either relies on individual reporting or verifies initial information with other sources having the option to choose from alternative processes.

In contrast to the above cases, the broad objective of poverty reduction, a purpose, is normally associated with a rather loose definition of the target population. Assuming that many such programs target poor households, as in the case of SCUK’s Shiree project in coastal southwest, one needs a definition of ‘poor’ in order to engage. But ‘poor’, as perceived by the proponents of income measure of poverty line, is not an observable. For them, as well as for the practitioners, poor is an attribute of a household; and individuals are poor only when they are members of poor households. In the social setting of Bangladesh, one can hardly conceive of rich (poor) children of poor (rich) parents living in the same household. The primary reason for having household at the center however lies in the fact that income, expenditure and consumption, based on which poverty is measured or perceived, can not be meaningfully defined below household levels. The perspectives of the two groups – practitioners and poverty analysts - however differ in several other aspects, which is discussed below.

Poverty analysts tend to be ‘statistically rigorous’; and put greater faith on such nation-wide surveys as the Household Income & Expenditure Survey (HIES). The latter allows one to derive the income (or, expenditure) poverty line for a household corresponding to certain per capita nutritional intake; and is the basis for national-level poverty estimates. Since it is costly and time-consuming to undertake similar exercise every time a targeted program is initiated, poverty analysts resort to proxy inferences – identify a set of observables (attributes of households or of members of households expressed at household level) that have close correspondence with per capita expenditure, or with a binary variable capturing poverty status, poor or non-poor. Alternatively expressed, variables (preferably, easy to observe and verify) that can better explain variations in per capita expenditure of households or the probability of a household to be poor (or non-poor), are considered as proxies to differentiate a poor from a non-poor household in the real world. Thus, one may identify such attributes as, no homesteads, no adult male worker, etc., as significant correlates of poverty; and use these variables to identify poor households in a program area. The actual application may take several routes, which include;

- Use a regression equation estimated from a national level survey data, and use values of the variables obtained from households in a program area to predict the poverty status (dependent variable) of that household. Such practice is adopted in small area estimation applied in generating poverty maps. It is also quite common in research, though rarely used by development practitioners.

- Use poverty scorecards that assign various numerical values to the various responses of a household to different pre-selected questions (variables); and convert the multiple variables into a scalar (number) and use a cut-off to distinguish poor from non-poor. The questions (variables) are identified and the numerical values are assigned upon carrying out econometric exercises on acceptable unit-level data sets. Poverty scorecard is an important example under this category.
- Use the information on poverty correlates, derived from national level survey data, to develop an algorithm – a mix of inclusion and exclusion principles - in order to define a set (of households) that includes (mostly)⁴ ‘poor’ households. This option is generally not availed by the poverty analysts since it does not allow one to derive the probability distribution of the choice variable and therefore no inference may be made on statistical acceptability of the measure.

Development practitioners have the choice of undertaking detailed income-consumption survey and estimate the poverty measures for all households normally resorted to by poverty analysts. This would however be too costly since the survey would have to be administered on all households in a program area. Alternatively, one could undertake a sample survey to identify the relevant proxy variables, estimate their marginal contribution to explaining poverty status; and use these variables (observables) to select poor households following any of the above routes. However, the latter is rarely observed, partly due to failure in appreciating its need at an early stage when financial allocations are decided. Another practice could be the third option mentioned above. However, lack of familiarity with the techniques and also the lack of transparency in many of the exercises on poverty correlates often deter practitioners from engaging in that route. For all practical purpose, it has been a mix of knowledge acquired over many years of experience, FGD-type consultations and imports of knowledge on poverty correlates from some of the ‘academic’ exercises, which influenced field-level decisions on choice of criteria for identifying poor.

So far, we were referring to an undefined category of ‘poor’, recognizing that there is an underlying definition of ‘poverty’. In reality, both in the realm of abstract academic discourse and in implementation of various safety net programs (SNP), one finds mention of various shades of poor and poverty. The list includes, ‘poor’, ‘ultra poor’, ‘hardcore poor’, ‘marginal poor’, ‘extreme poor’, and ‘the poorest’. Bangladesh Bureau of Statistics (BBS), the official source of national (and regional) level estimates on poverty, estimated three measures of poverty when it used Direct Calorie Intake (DCI) method – ‘absolute poverty’ with the threshold of ≤ 2122 Kcal/person/day; ‘hardcore poverty’ with the threshold of ≤ 1805 Kcal/person/day; and ‘ultra poverty’ with the threshold of ≤ 1600 Kcal/person/day. Since HIES 1995-96, BBS used Cost of Basic Needs (CBN) method as well. Under the CBN method, the cost of a fixed food bundle providing minimal nutritional requirements corresponding to 2,122 kcal per day per person was estimated. This was added to an allowance for nonfood expenditure in order to estimate the poverty line income. The upper poverty line, using the “upper non-food allowance” provides the

⁴ There is always a positive probability of an error – including some in the set who are ‘non-poor’ (inclusion error) and excluding some of the poor (exclusion error).

threshold for estimating “absolute poverty”, while the lower poverty line, using the “lower non-food allowance” provides the threshold for “extreme poverty”.⁵ One may easily reflect to verify that the social entity called the ‘extreme poor’ that a development practitioner tries to identify may not be identical with the construct (of extreme poor) of the poverty analysts. ⁶Our failure to appreciate the differences often creates unhealthy confusions; and both parties possibly get lot less than one would expect from cross-fertilization!

In summary, the very first problem encountered in identifying poor is in arriving at a universally accepted definition of poor. There could be a definition with an absolute measure, or a relative one. In either case, one would have to define those measures on certain pre-defined dimensions, such as, per capita calorie intake, income, access to food, access to credit, daily food expenditure, etc. In case of single dimension, criterion of selecting poor is too obvious. In case of multiple dimensions, there will be opportunities for *ad hoc* choices; and thus, indexing and scoring are often sought. As for relative measures, such as, self-perceived poverty status or bottom 10 percent of the population (say, in wealth ranking), these are effective when applied to a single community. Moreover, relative measures allow development practitioners to choose a cut-off that is compatible with resources available. Non-comparability of communities however raises difficulties in universalizing a relative criterion and thus one needs an additional measure, such as, the purchasing power parity, to make them comparable. And finding such a measure is difficult when one defines the relative measure in multiple dimensions. Interestingly, all these confusions could be removed if the program documents spelled out the target population in explicit operational terms; which regrettably is very rare!

3. Various Practices in Identifying Poor

References have been made to two groups – poverty analysts and development practitioners. Observations compiled on findings and practices of both these groups are summarized below.

3.1 Scorecards and Other Survey Findings

In Bangladesh context, two different exercises of the poverty analysts may be noted. The first is developing a poverty scorecard using HIES data, and the second is using regression estimates from HIES data and applying those to population census data to generate poverty measures for small areas. There are several kinds of poverty scorecards, one of which is that developed by Chen and Schreiner, who considered per capita expenditure and used logistic regression using boot-strapping technique to identify the proxy variables and the scores for individual responses.⁷ Normally, a poverty score card

⁵ There is a third method in measuring poverty that is currently being introduced in the HIES exercise – that of Food Energy Intake (FEI); and HIES 2010-11 report will possibly include a new set of poverty measures with such a method.

⁶ Amongst a group of participants in a training the author offered, one operational definition of EP emerged important – lack of ability to have more than two meals for more than 8 months in a year. Ignoring ability, some had attributed EP to households which had two or less meals a day for four months or more in a year.

⁷ See, http://www.microfinance.com/#Poverty_Scoring for a list of examples.

(as developed by Chen and Schreiner) includes ten questions (proxy variables) with options for finite set of responses, each of which is assigned a score. Details on the proxy variables and the scores for four different scorecards are presented in Table A.3.1. One may note that the questions and the numerical values assigned to the responses suggest that the likelihood of a household being an extreme poor is positively influenced by the presence of following characteristics:

- Have 5 or more members below 20 years of age is good;
- None of the household members has education above grade 4;
- Operating land is less than 1.5 decimal;
- Use open field for purposes of toilet/latrine;
- Reside in no more than one bedroom;
- The wall of room is katcha;
- The roof of the room Katcha/straw/temporary;
- Has no electricity connection;
- No radio; and no 2 in 1 cassette player;
- No television;
- No clock;
- No member has a wrist watch;

It is important to note that many of these are suitable as ‘exclusion principle’ – such as, having electricity connection, owning a television, or operating more than 1.5 decimals of land. Some of the others may be suitable as inclusion criteria – such as, defecating in open fields, having rooms whose walls are katcha and the roof is made of straw or low quality temporary materials (e.g., polythene). The findings are however based on all unit level HIES data, rural as well as urban. Moreover, it does not differentiate between regions. One may also note that the variables of importance and the values assigned to various responses changed over the HES/HIES survey years. It is obvious that a development program implemented in 2010 in a locality with specific characteristics (such as, the coastal areas) may not find these findings of much use.

Another exercise, on small area estimation that underlies poverty mapping of the WFP and FPMU (MOF), is lot more mechanical than that of the poverty scorecards. One reason is the strict necessity of ensuring a common set of variables in both HIES and population census questionnaires. The findings for rural Khulna and Barisal (parts of which are coastal areas) are summarized in Table A.3.2. One criterion that comes out important in identifying poor (or excluding non-poor) is having the head of the household not literate (if functionally literate).⁸

An ERG survey in 2009, undertaken for a different purpose by the author of this report, had enumerated all households in two villages in Shyamnagar upazila (Satkhira district)⁹. The household-level data included self-perceived poverty status under closed-end responses with four options – deficit round the year, occasional deficit, neither deficit nor

⁸ Applying such criterion raises a fundamental ethical question – should one reward households who choose not to invest on education and thereby punish those who goes out of the way to invest on education?

⁹ The field survey was completed before the *Aila* hit the southern upazilas on 25th May 2009.

surplus (breakeven) and surplus. Since the survey area has lot of similarity with the coastal upazilas where SCUK-Shiree project is undertaken, the findings may have lot more relevance. Summary statistics comparing the four categories of households are presented in Table A.3.3. The findings may be interpreted to define a set of principles in identifying extreme poor (chronic deficit) in the area:

- Exclude if there are 2 or more male workers aged 15 – 54 years;
- Likelihood of being poor increases if female/male ratio is high – say, 1.5 or more;
- Include only from those households which have no land under orchards or bamboo bush (or, exclude households owning any land under orchards);
- Those reporting to work in agriculture under own farm are less likely to be very poor;
- Include households where female members engage in self-employed trade¹⁰;
- Households where female members participate in wage labor – agriculture or non-agriculture – are more likely to be EP;
- Males in extreme poor households are less likely to participate in MFI/NGOs, and therefore, households with male MFI members are less likely to be EP.

3.2 Practices among Development Practitioners - Summary Findings

Development practitioners include three broad sets of agencies – national and international NGOs who operate at national levels and have their head offices in Dhaka; local and national NGOs who operate in the two south-western districts – Bagerhat and Khulna; and the various departments within the government which implement safety net and other programs targeting the poor and extreme poor. Various practices these agencies reported are summarized in Tables 3.4 to 3.6.

Leaving aside the details, one may observe that

- No sound statistical rationale is generally found in any of the practices on criteria setting;
- Generally, the selection criteria applied by the INGOs and national level NGOs are more elaborate than others;
- In contrast, the government programs are generally more ‘inclusive’;
- In case of identifying poor (or EP), one could differentiate proxy variables across (i) measurable only after detailed calculation; (ii) measurable, not visible and ought to rely on reporting; (iii) measurable that are immediately observable by an interviewer; (iv) qualitative and observable; and (v) qualitative but non-observable. Unfortunately, such differences are not appreciated in current practices. There is generally a tendency amongst both practitioners and poverty analysts to group variables into ‘measurable’ and ‘observables’ without due appreciation for ‘verifiability’.¹¹

¹⁰ Such participation is like an ‘inferior good’ – as livelihoods improve from EP status, households tend to withdraw their females from such labor activities. It is an irony that many such women rely upon borrowing (often from MFIs) and therefore excluded by many programs for the EPs.

¹¹ An example is reporting on land ownership. The process of gathering information is relevant for information verification.

As one would expect, income is an important variable on which cut-offs are defined in spite of the obvious limitation of measuring it.¹² The latter is however recognized in most current programs and therefore other proxies are used. For example, quality of labor endowment in the household (primary earner is female or child, presence of dependent elderly, etc.), ownership of land and other assets with preset thresholds. One also finds the minimum nutritional requirement notionally converted to having three meals without much break to surface in many of the NGO practices in targeting. Normally, the threshold to define the latter is ‘having two or less number of meals for a period of four or more months in a year’. Occupation is often considered a good proxy variable to target extreme poor. In addition, households that fail to send their children to schools and instead send them to work, and having members in the family who are disables, are used as well. Of the exclusion criteria, the most prominent is the membership in other NGOs¹³ or having debt with MFIs. There are some NGOs who focus on poverty stricken ethnic minority and therefore set criteria in terms of ethnicity of the household members.

[[Section 4 deals with criteria applied by a single program.]]

5. Conclusion and Recommendations

In summary, several observations may be made:

- There is hardly any directly observable measure that program people may use to identify extreme poor. Normally, housing condition, and size of homestead one lives in are considered. Given that these were not taken as primary selection criteria suggest that the number to be reached is high and required a higher cut-off.
- The criterion based on number of meals is widely appealing, but can be relied upon only if there is an acceptable process of verification. One way is to involve community in identifying households who live in such state – possibly, in open gatherings. This is known to have been tested in government as well as in NGO programs elsewhere.
- The meal-based criterion needs to be further qualified, that is, one needs to state whether observed intakes are with or without borrowing. With identical income flow, an indebted household repaying loans is likely to consume less than one which does not have to make debt repayment. It is also possible that a household temporarily enjoys higher number of meals because of borrowing. In either case, leaving aside EP households due to having membership may only be justified on the ground of problems arising from managing graduation (as mentioned earlier). Such problems should ideally be addressed by implementing agency through

¹² In many instances, a simple question such as, ‘what is your income?’, is asked to assess if one fulfills the criterion or not.

¹³ Interestingly, we were always told that a household could not be included in the list of beneficiaries since one or more members of the household ‘participate in other NGOs’. For obvious reason, coining of ‘other’ troubled us. The exclusion principle being applied is normally imposed by higher-up agency who implements through NGOs; and the latter normally claims to engage with their members. It would therefore be contradictory to include a household as a beneficiary of an NGO-run program which cannot be a ‘NGO member’; and coining the term ‘other’ does eliminate that inconsistency on record!

- establishing coordination amongst other development agencies and MFIs in the locality.
- Land is a less reliable criterion. One may at most identify a threshold on land cultivated. Since productivity varies, an alternative may be to assess if (say) half the consumption requirement of staple crop comes from own cultivation or in the form of land rent. To the author's knowledge, no empirical work is available to assess the validity of the proposed criterion.

Few concluding remarks:

1. The **process** of identifying poor is important; and should be given due consideration in future endeavor.
2. Regular monitoring of the variables chosen as criteria is needed. To give an example, if the project is successful, the EPs will be mainstreamed and will have increased credit worthiness. Thus, getting access to microcredit may be an outcome of the project. The same applies for asset accumulation.
3. When resources are transferred at no cost to beneficiaries, stringent rules with ambiguities in operational definitions may lead to problems (or, lack of transparency) in implementation. One may therefore consider introducing participation of beneficiaries in the cost so that ownership is build and they take extra interest to ensure that the program people deliver in right manner.
4. Targeting individual as opposed to community or other meso-level objects: When there are meso-level failures, micro-level interventions do not succeed. If a market for food is not functioning, giving cash to individuals will not lead to any change. Similarly, when employment opportunities are lacking, skill training will only depress the wage rates and/or be wasteful (since the skill will either be not acquired or will soon be forgotten). Thus, there is a need to revisit the issue of targeting at a higher plane, which has not been addressed in this report.

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Annex to Section 3

Table A.3.1: Values Assigned to Various Responses in Poverty Scorecards

Questions	Options/Responses	1991-92	1995-96	2000	2005
1. How many household members were 20 years old or younger?	Five or more	0	0	0	0
	Four	0	0	0	6
	Three	10	0	9	6
	Two	10	9	14	12
	One	21	17	21	18
	None	29	27	34	31
2. What was the highest educational attainment by any household member?	No class	0	0	0	0
	1-5, cannot write	0	-	-	-
	1-5, can write	5	-	-	-
	Class 1	-	0	0	0
	Class 2	-	0	0	0
	Class 3	-	0	0	0
	Class 4	-	0	0	0
	Class 5	-	0	4	4
	Class 6	7	8	6	4
	Class 7	7	8	6	4
	Class 8	7	8	6	4
	Class 9	7	12	6	4
	SSC, not BA	12	-	-	-
	SSC/equivalent	-	12	9	4
	HSC/equivalent	-	17	14	8
BA or above	14	17	14	8	
3. What was the total operating land of the household?	0 to less than 1.5	0	0	0	0
	1.5 to less than 2	0	0	0	4
	2 to less than 4	8	4	6	4
	4 to less than 5	8	10	6	4
	5 acres or more	13	10	6	4
4. Did you own any cow?	Yes	0	0	0	-
	No	3	5	4	-
5. Did you own any duck?	Yes	0	-	-	0
	No	5	-	-	2
6. What type of latrine was used in the house?	Open field/unknown	0	0	0	0
	Temporary	5	-	-	-
	Pacca (brick+c)	15	-	-	-
	Hang latrine	-	5	-	-
	Pit latrine w/o seal	-	5	-	-
	Latrine w septic tank	-	10	-	-
	Katcha (temporary)	-	-	4	3
	Katcha (permanent)	-	-	7	5
	Pacca (pit)	-	-	9	5
	Pacca (water seal)	-	-	9	5
	Sanitary	-	-	9	5

Table A.3.1: Values Assigned to Various Responses in Poverty Scorecards, continued

		1991-92	1995-96	2000	2005
7. What was the material of walls of the dwelling house of head of household?	Others	0	0	0	0
	Bamboo/hay/straw	7	0	0	0
	Mud/unburned brick	8	3	0	0
	CI sheet/brick/cement/timber	8	5	4	4
	Brick/cement	8	8	4	8
8. Did your household have an electricity connection?	No	-	0	0	0
	Yes	-	10	4	4
9. What was the material of the roof of the dwelling house of head of household?	Others	0	0	-	0
	Bamboo/hay/straw	0	0	-	0
	CI sheet/tali/timber	3	4	-	-
	Tile/wood	-	-	-	0
	CI sheet/timber	3	6	-	3
	Cement	3	13	-	10
10. What was the source of drinking water?	Ponds/river water	0	-	-	-
	Dug-wells/draw-well	0	-	-	-
	Tube wells	0	-	-	-
	Piped water	5	-	-	-
11. How many bedrooms did the house have?	One	0	-	-	0
	Two	0	-	-	2
	Three	5	-	-	3
	Four	5	-	-	5
	Five or more	5	-	-	9
12. Did the household own a radio or a 2-in-1 cassette player?	No	-	-	0	0
	Yes	-	-	7	5
13. Did the household own a TV?	No	-	-	0	0
	Yes	-	-	6	3
14. Did the household own a clock?	No	-	-	0	0
	Yes	-	-	5	2
15. Did the household own a wristwatch?	No	-	-	0	0
	Yes	-	-	3	3

Note: Where the questions were not included in a given HES/HIES, cells are marked with -. There was a 16th question, 'did any household member work for a daily wage?', which carried values to binary responses that made little sense.

Source: Zohir (2010a).

Table A.3.2: Importance of Various Poverty Correlates in Small Area Estimation

Description of the variables	Barisal	Khulna
Constant term	+	+
Proportion of children aged 0 yr in the household		-
Proportion of the children aged 1-4 yr in the household		
Proportion of the children aged 5-14 yr in the household		
Average proportion of child aged 1-4 yrs at union level	-	
Average proportion of child aged 1-4 yrs at upazila level	+	
Average proportion of persons aged 15-59 yrs at union level	-	+
Average proportion of persons aged 60 + yrs at upazila level	+	-
Proportion of elderly people (60+) in the household		
Mauza level census mean of elderly people in the household		-
Household size squared		
Household size cubed		
Non muslim head in the household		
Mauza level census mean of households with head non-muslim		-
Mean of non-muslim head at upazila level	+	+
Head with no education		
Literate head in the household	+	+
Head with junior secondary education in the household		
Head of the household with secondary education		+
Head with higher secondary education in the household	+	+
Household head is a Graduate	+	+
Head of the household with post graduate education		+

Table A.3.2: Importance of Various Poverty Correlates in Small Area Estimation

Continued

Description of the variables	Barisal	Khulna
Married head in the household	-	
Head of the household is widowed or divorced		
Mauza level census mean of households with access to electricity		+
Proportion of household with no latrine at union level		
Household with Tubewell		
Mauza level census mean of households with access to tube-wel		
Proportion of household using pond water for drinking at union level		
Pucca house		
House is rent free		
Dummy for not graduate & not semipucca house		
Household with working head		
Both head & others working in the household		
Total persons engaged in wholesale & retail sector		
Total persons engaged in the construction sector in 2003		
Proportion of household with head not working at union level		
Union level census mean of head working in Bussiness sector		+
Upazila level census mean of head working in Agrculture sector		+
Proportion of total area subject to severe drought		-

Source: Drawn from Zohir (2010b).

Table A.3.3: Comparative Summary Statistics, by Poverty Groups, ERG Survey 2009

Description	Always deficit	occasional deficit	Break-even	Surplus	All
Age of household head	45.57	42.12	43.95	46.68	44.08
Number of rooms	2.00	2.12	2.54	2.95	2.38
No. of male children up to 5 years	0.30	0.27	0.27	0.36	0.30
No. of female children up to 5 years	0.33	0.29	0.35	0.18	0.29
Males, 6-14 years	0.59	0.51	0.44	0.44	0.49
Females, 6-14 years	0.57	0.48	0.52	0.38	0.49
Male 15-54 years	1.08	1.20	1.39	1.39	1.27
Female 15-54 years	1.33	1.19	1.39	1.34	1.30
Male 55+	0.20	0.18	0.23	0.32	0.22
Female 55+	0.25	0.26	0.24	0.32	0.26
Total male members	2.19	2.16	2.32	2.42	2.26
Total Female members	2.47	2.21	2.49	2.21	2.33
Ratio of female to male	1.13	1.03	1.07	0.92	1.03
Non-resident males with financial transact	0.11	0.15	0.17	0.23	0.17
Non-resident females with financial trans.	0.01	0.03	0.04	0.04	0.03
Arable land (decimals)	4.37	15.15	53.69	183.28	57.26
Homestead land (decimals)	5.51	7.12	11.86	17.11	10.16
Area under water bodies (decimals)	0.73	5.49	10.56	54.26	15.72
Orchard/bamboo bush (decimals)	0.00	0.51	2.80	4.50	1.86
Fallow land (decimals)	0.00	0.00	0.00	0.15	0.03
Total land (in decimals)	10.76	27.98	79.20	259.38	85.04
<i>Number of members engaged in</i>					
male, agriculture work operated by hh	0.15	0.28	0.73	1.05	0.54
female, agriculture work operated by hh	0.05	0.03	0.04	0.05	0.04
male, Self employed (Poultry/Cattle rearing etc)	0.14	0.21	0.46	0.64	0.36
female, self employed (Poultry/Cattle rearing etc)	0.57	0.62	0.80	0.91	0.72
male, self employed (small trade/shop etc)	0.20	0.25	0.32	0.32	0.28
female, self employed (small trade/Shop)	0.01	0.00	0.01	0.00	0.00
male, self employed (Physician/legal, etc)	0.04	0.04	0.02	0.08	0.04
female, self employed (Physician/Pleader)	0.03	0.02	0.02	0.02	0.02
male, agriculture wage labor	0.61	0.62	0.51	0.20	0.51
female, agriculture wage labor	0.35	0.14	0.06	0.00	0.12
male, non-agriculture wage labor	0.80	0.79	0.68	0.27	0.65
female, non-agriculture wage labor	0.42	0.16	0.08	0.00	0.15
male, salaried jobs	0.06	0.10	0.15	0.34	0.16
female, salaried jobs	0.01	0.00	0.01	0.01	0.01
NGO member, male	0.04	0.13	0.26	0.22	0.17
NGO member, female	0.66	0.67	0.51	0.52	0.59
Number of observations	79	182	142	98	501

Source: Zohir (2010a): drawn from census of 2 villages in Shyamnagar upazila.

Table A.3.4
Criteria for Identifying Poor: INGO/NGOs in Bangladesh

<i>Income</i>	<i>Earner/Head of household</i>
<ul style="list-style-type: none"> - Per capita daily income less than USD 1, considered PPP equivalent to Tk. 22 at 2007 prices; - The above is recast as daily per capita expenditure less than Tk.33 at 2009 prices; - Household income per month less than Tk.1500 (or, Tk.18000 per year); - Monthly household income is not more than Tk.1500 during monga period; 	<ul style="list-style-type: none"> - households with elderly dependents virtually with no income; - only one income earner in the family; - no active male adult member; - widow, divorced, separated or abandoned women as head; - female headed household with many children, - dependent on temporary works, having no homestead and offer day labor as maid servant; - with maximum of one adult <i>jhum</i> cultivator /daily laborer in the household;
<i>Land</i>	<i>Other Assets</i>
<ul style="list-style-type: none"> - Landless/have no access to land; - Own less than 10 (12) decimals of land; - Homestead land not more than 2 decimal; - Homeless poor people who lost their home due to river erosion, flood, tornado, fire etc. or living on someone else's land - own no cultivable land and a maximum of 2 decimal homesteads; - Own less than 50 decimals of land (barren, submerged, mortgaged, etc. are also included). - Even if members of a household possess no land of their own, some programs include the property to be inherited by assuming that total property of parents will be distributed amongst siblings in accordance to social/legal norms. 	<ul style="list-style-type: none"> - having no houses and assets; - do not possess the ability to access productive assets, such as, land (cannot do share cropping, no scope of getting lease etc.); - Poor housing condition and little space per person; - Asset < Tk. 2000 (includes bed, furniture, cow etc.). Or, productive assets worth up to Tk. 3,000 (for example, cow, goat, pig, poultry, rickshaw, bicycle, van, sewing machine, boat, fishing net). Ceilings on value of all assets vary – most range from Tk. 8000 to Tk. 12000. - No ownership of or access to sanitary latrine; - No access to safe water; - Chronic indebtedness to money-lenders; - no more than 2 pieces of clothing for adult; - no more than 1 room for living
<i>Food</i>	<i>Occupation</i>
<ul style="list-style-type: none"> - Member of the households have no more than 2 meals/day for 4 months or more in a year - average intake less than 1800 kcal per person per day; - below PPP equivalence of international poverty line of US \$1 per person per day; - no more than 2 meals/day for whole year; - eat a maximum of twice a day for more than 9 months a year with low quality and quantity; - Severely malnourished children (observed); - Scavenging food from wild sources for more than 2 months a year (e.g. wild plants, snails, shell fish etc.); 	<ul style="list-style-type: none"> - day labor, cobbler, road side barber, push cart driver, old age women beggar/ disabled male beggar, House maid; - earn livelihood through selling their labor; - Advance sale of labor at cheap rate; - unemployed without any assets and source of income; - Beggars, at least 1 year of begging history (according to local people); - floating sex worker, vagabond, 'Pathokoli' - The household is dependent upon female domestic work or begging; Women labor in shrimp gher, collect shrimp fry, working in shrimp depot/processing plant
<i>Children at work</i>	<i>Membership-based Exclusion</i>
<ul style="list-style-type: none"> - detached from education for at least 3 years; 	<ul style="list-style-type: none"> - Not a beneficiary of long term livelihood

- Children of school going age have to take paid work; - working children (even if working in home such as looking after younger siblings so that his/her parents can work outside), usually 10-14 years of age;	recovery program; - not recipient of asset from any NGOs and GOBs; - do not have access to, nor is a member of financial network or MFI (some NGOs apply exclusion to only loans for productive usage)
<i>Education</i>	<i>Physical Disability/Chronic health problem</i>
- none of the adults household members (18 years and more) is functionally literate; - children aged 4-12 (or, 6-13) years do not attend school or dropped out from schools;	- one or more members in the households are disable or economically inactive; - one or more members are chronically ill (suffer for 6 months or longer period)
<i>Limited Labor Opportunities</i>	<i>Residence</i>
- Cannot sell labor for more than 120 days a year; - For agricultural laborer – those who sell labor for a minimum of 100 days/year to others; - unemployment for at least 3 months in a year;	- permanent resident; living in program area for 5 years or more and listed as a voter of the area; - internally displaced or evicted households; - migration from other slum due to fire/eviction; - Living outside of embankment; - Living on someone else's premise
	<i>Others</i>
	the ethnic (minority) group living in severe scarcity and chronic poverty

Source: Own compilation from interviews and information collected.

Table A.3.5
Criteria for Identifying Poor: NGOs in Khulna and Bagerhat

<i>Income</i>	<i>Earners - demographic</i>
Most mention of household income less than Tk. 1500 per month, which is equivalent to less than Tk. 50 per person per day. Some refer to US \$1 per day without	Households where a child is the main earner; Households where an old person is the main earner; Husband is unemployed/disabled and single female earner;
<i>Land and Assets</i>	<i>Occupation of main earner</i>
There are several formulations of landownership criteria: Owns no land/lives on <i>khas</i> land; Owns less than 5 decimals of cultivable land; For <i>Sidr</i> or <i>Aila</i> affected areas, there are instances of relaxing the above criteria – people having 1 acre of land not suitable for cultivation, are targeted under SNPs.	day laborer; beggar; domestic helper/maid; rickshaw-puller; floating sex worker;
<i>Food/Meals</i>	<i>Residence</i>
Eat 2 or fewer meals every day; Unable to eat 3 meals for 4 more months or more in a year	Have to be permanent resident of that area; Uprooted people who live in bus-stand or nearby rail-tracks
<i>Asset</i>	<i>Education</i>
Household asset is less than 3000; Own assets, which, if sold, cannot buy 50 decimals of cultivable land in the area	Cannot send school-aged children to school
<i>Household characteristics</i>	<i>Others</i>
Women or children headed household; Family with handicapped children; Disabled husband; widow, abandoned or divorced women;	Characteristics of houses/dwelling unit; Those affected by natural disaster; Those who do not have access to sanitation; Excluded: Ethnic group, handicapped, unprivileged people, tortured women,

Source: Own compilation from information collected from NGOs working in Khulna and Bagerhat districts.

Table A.3.6
Criteria for Identifying Poor: Government Programs in Bangladesh

Program	Target	Inclusion principle	Exclusion principle
Allowances for the Financially Insolvent Disabled, MWSW			
Allowances for the widowed, deserted and destitute women, MWSW	poor women	Poor, helpless left by their husbands. Women who are widowed	
Maternity Allowance Program for the poor Lactating Mothers		poor low-income expecting and lactating mothers	
Old Age Allowance, MWSA	poor elderly people	At least 65 years of age, Y ≤ Tk. 2000 per year, Must not have worked in the formal sector	
Honorarium for Insolvent Freedom Fighters, MOFFA		disabled or partially disabled FF, landless or unemployed FF, none in the family to depend upon	
General Relief Activities, MOFDM			
Subsidy for Open Market Sales (OMS), MOFDM			
Vulnerable Group Development (VGD), MWCA	Hardcore/ ultra poor women	Landless or those who have less than 0.15 acres of land, monthly hh Y < Tk. 3000, lack of productive assets	
Vulnerable Group Feeding (VGF), MOFDM	Destitute poor	Landless or those who have less than 0.15 acres of land. Autistic persons or wife of physically disabled person. women/men affected by natural disaster	
Test Relief (TR)- Food, MOFDM	Poor people		
Gratuitous Relief (GR)-Food, MOFDM	Poor people		
Food Assistance in CTG-Hill Tracts Area, MOCHTA			
Food For Work (FFW), LGED & DSS		Functionally landless, lack of productive assets. Day laborer or temporary workers, Family headed household where women is widowed, deserted and destitute	
100 days Employment Scheme, MOFDM	Extreme/ ultra poor	Permanent capable resident and marginal farmers in rural areas. Eager to work but unemployed and unskilled poor people.	

Program	Target	Inclusion principle	Exclusion principle
Rural Employment Opportunities for Public Assets (REOPA), LGD			
Rural Employment and Rural Maintenance Program (RMP), LGD/LGED/CARE		Less than 30 decimals of land, no other income, destitute family circumstances, female headed HH where women has 18-35 years of age, widowed or separated at least one year	not participating in other targeted programs
Vulnerable Group Development for Ultra Poor (VGD-UP), MWCA	Ultra poor		
Employment Generation Program for the Ultra poor			
Economic Empowerment of the Poor, Shiree-Dfid			
Employment for Ultra-poor in Northern Region			
National Nutrition Program (NNP), MOA			
School Feeding Program, MOPME	very poor	children from very poor families	
Union Parishad Vulnerable Group Development (UPVGD), MOWCA	Ultra poor		
Integrated Food Security Program (IFSP)	Ultra poor		
Agriculture subsidy on (inputs for) production, extension and marketing.	Ultra poor		

Source: Own compilation.

Annex to Section 4
Field Observations on Selection

The field enumerators had selected a poor cluster in a union reported to have larger concentration of extreme poor. Within each cluster, households listed as beneficiary of the EP program were identified as EP along the row in each Table. Those not excluded were identified as ‘Non-extreme Poor’ as assessed by the Program. Based on consultations with members of those households, this Annex presents observations on possible reasons of inclusion and exclusion errors. One should note that the benchmark considered in assessing such errors is the judgments of the people in the cluster moderated by the field enumerators.

Table 1: Upazila 1

	As assessed by the Research Team		Total
	<i>Extreme Poor</i>	<i>Non-Extreme Poor</i>	
<i>Extreme Poor</i>	16 (A)	2 (B)	18
<i>Non-Extreme Poor</i>	12 (D)	23 (C)	35
Total	28	25	53

Field notes explaining positive numbers in the off-diagonal cells:

(B) Since no legal deeds exist, potential claimants to land and even pond were considered EP. A women beneficiary is included whose two sons are non-poor and take care of their mother. We found a professional singer, a beneficiary of transfer under micro-plan, who has regular income throughout the year and whose wife is also earning from various sources.

(D) Many families, in spite of being visibly poor, were excluded due to one or both of the following reasons:

- A household member was a member of a cooperative or had taken a microcredit loan. In many instances, their situation was worse because of their indebtedness to the MFIs.
- Many had 5 decimals of land or more without acquiring the ability to earn enough to be a non-EP; and this is quite common in this region.

Table 2: Upazila 2

	As assessed by the Research Team		Total
	<i>Extreme Poor</i>	<i>Non-Extreme Poor</i>	
<i>Extreme Poor</i>	11 (A)	1 (B)	12
<i>Non-Extreme Poor</i>	16 (D)	9 (C)	25
Total	27	10	37

(B) One family is an enlisted beneficiary of the government’s old-age allowance program. Moreover, both husband and wife are also engaged in earning activities.

(D) Some extreme poor families were excluded since some of their members were involved in local unregistered cooperatives.

Table 3: Upazila 3

	As assessed by the Research Team		Total
	<i>Extreme Poor</i>	<i>Non-Extreme Poor</i>	
<i>Extreme Poor</i>	14 (A)	0 (B)	14
<i>Non-Extreme Poor</i>	30 (D)	0 (C)	30
Total	44	0	44

(D) An Ashrayon project area was visited where all households we interviewed appeared to be under extreme-poverty. Some of the households lived by begging. Many of them were excluded from the beneficiary list due to their membership in other NGOs or cooperatives.

Table: Upazila 4

	As assessed by the Research Team		Total
	<i>Extreme Poor</i>	<i>Non-Extreme Poor</i>	
<i>Extreme Poor</i>	7 (A)	3 (B)	10
<i>Non-Extreme Poor</i>	14 (D)	16 (C)	30
Total	21	19	40

B) Some beneficiaries are members of extended families and all of them possess some land. Besides, there are active earning members too. They are included on pretext that they have separate arrangement for meals – though financially not de-linked.

D) Several extreme poor families are not enlisted as beneficiaries since they have membership with NGOs or local cooperatives.

Table: Upazila 5

	As assessed by the Research Team		Total
	<i>Extreme Poor</i>	<i>Non-Extreme Poor</i>	
<i>Extreme Poor</i>	5 (A)	3 (B)	8
<i>Non-Extreme Poor</i>	14 (D)	4 (C)	18
Total	19	7	26

B) These people have definite income sources and have some land too. Even, some of these households have two or more earning members.

D) All in this group are visibly extremely poor; and some even live by begging. They are excluded from the beneficiaries list due to having membership with NGOs or Co-

operatives. Moreover, a large number of people are excluded due to having land though all such lands are inundated.

Table: Upazila 6

	As assessed by the Research Team		Total
	<i>Extreme Poor</i>	<i>Non-Extreme Poor</i>	
<i>Extreme Poor</i>	12 (A)	2 (B)	14
<i>Non-Extreme Poor</i>	18 (D)	17 (C)	35
Total	30	19	49

B) One female reportedly owns land and is taken care of by her in-laws. However, the case is favorably viewed on the assumption that the land is not hers and she lives on her own. A second beneficiary household has active earning members who work in the Garments of Dhaka

D) Households living here are mostly excluded from the beneficiaries list due to having membership with NGOs or Co-operatives.