



Multidimensional Poverty Index: NITI Ayog

For Prelims: [NITI Aayog](#), [Multidimensional Poverty](#), [National Family Health Surveys \(NFHS\)](#), [Sustainable Development Goals](#), [Poshan Abhiyan](#), [Anemia Mukht Bharat](#).

For Mains: Multidimensional Poverty Index: NITI Ayog, Importance of Eradicating Multidimensional Poverty in Achieving Sustainable Development Goals.

[Source: TH](#)

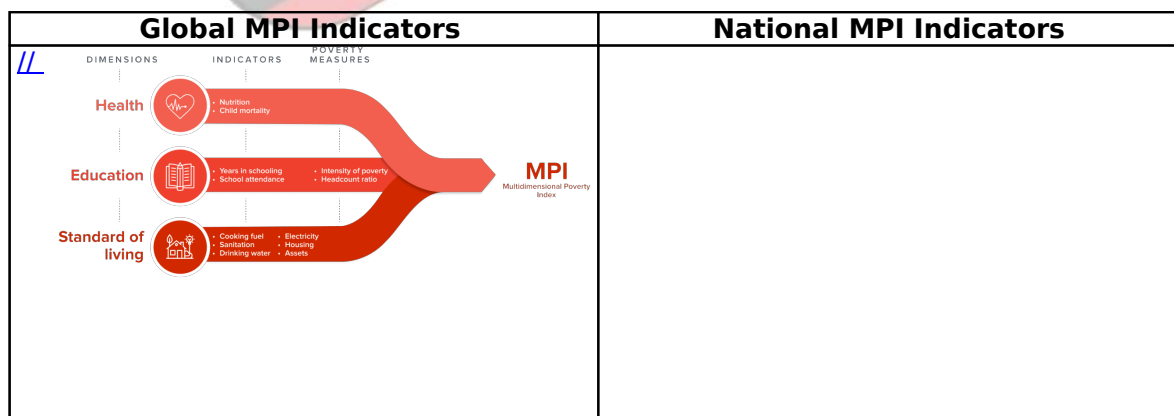
Why in News?

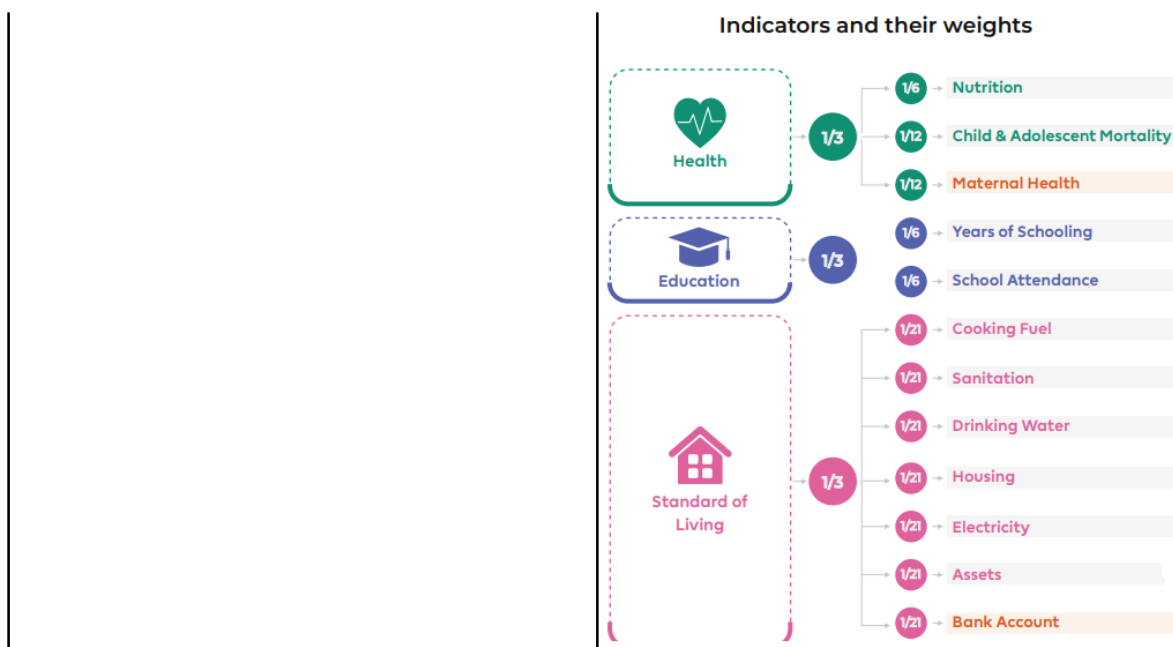
Recently, the [NITI Aayog](#) has released a Discussion Paper titled- '[Multidimensional Poverty in India since 2005-06](#)', stating that 24.82 crore people escaped [Multidimensional Poverty](#) in the last nine years.

- The discussion paper utilizes data from [National Family Health Surveys \(NFHS\)](#) conducted in 2005-06, 2015-16, and 2019-21 to understand long-term poverty trends.

What is the National Multidimensional Poverty Index?

- The **National Multidimensional Poverty** measures simultaneous deprivations across three equally weighted dimensions of Health, Education, and Standard of Living that are represented by [12 Sustainable Development Goals-aligned indicators](#).
- These include Nutrition, Child and Adolescent mortality, Maternal Health, Years of schooling, School Attendance, Cooking fuel, Sanitation, Drinking water, Electricity, Housing, Assets, and Bank Accounts.
- MPI's global methodology is based on the robust **Alkire and Foster (AF) method** that identifies people as poor based on **universally acknowledged metrics** designed to assess acute poverty, providing a complementary perspective to conventional monetary poverty measures.
 - However, the National MPI covers **12 indicators while global MPI covers 10 indicators**.

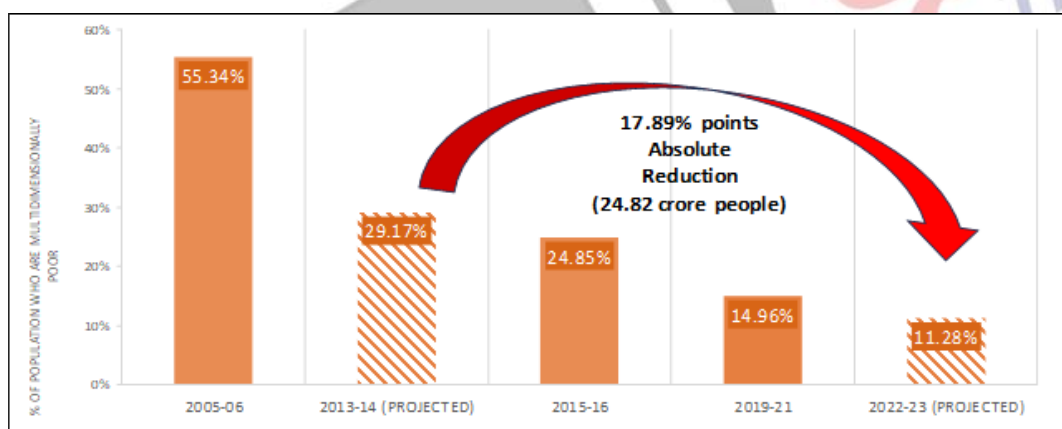




What are the Key Highlights of the Multidimensional Poverty Index in India Since 2005-2006?

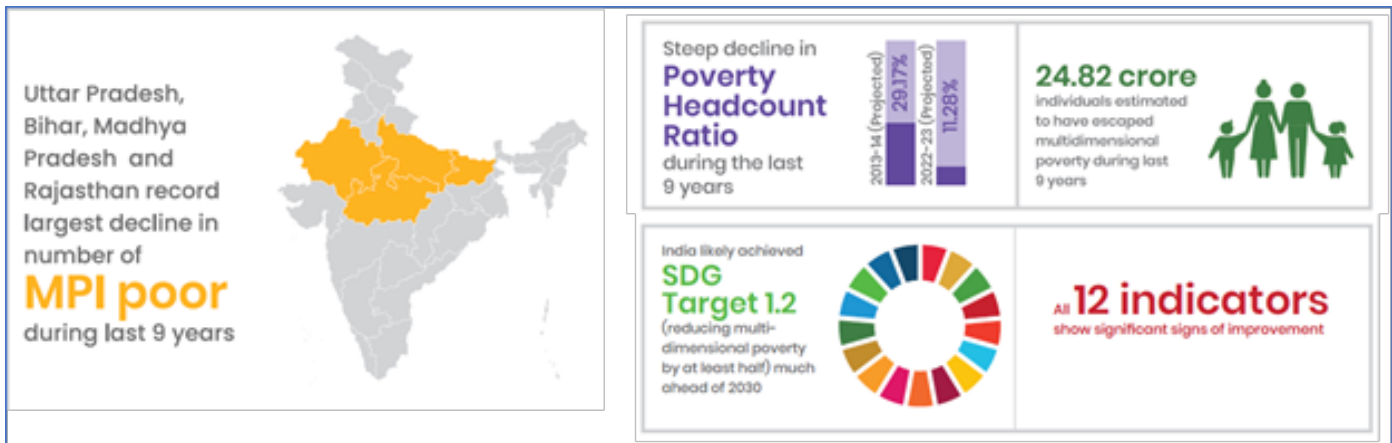
Overall Decline in Multidimensional Poverty:

- India has experienced a significant reduction in multidimensional poverty from 29.17% in 2013-14 to 11.28% in 2022-23, marking a decrease of **17.89% points**.
- Approximately **24.82 crore people have escaped multidimensional poverty** in the last nine years (2013-14 to 2022-23). This positive change is **attributed to various initiatives by the government**.



State-wise Decline:

- Uttar Pradesh, Bihar, Madhya Pradesh, and Rajasthan have recorded the **sharpest decline** in the number of people classified as poor based on the MPI.
 - Uttar Pradesh saw the largest decline with **5.94 crore people escaping multidimensional poverty**, followed by Bihar at 3.77 crore, Madhya Pradesh and Rajasthan.



▪ Improvement in All Indicators:

- All 12 indicators of the MPI have shown significant improvement, reflecting progress in **Health, Education, and Standard of Living dimensions.**

▪ Severity of Deprivation:

- The **Severity of Deprivation (SoD)** declined at a slightly lower rate between 2015-16 and 2019-21 compared to 2005-06 and 2013-14.
 - SoD measures deprivations the average multidimensionally poor person suffers from.
- At the same time, **reduction of deprivation was faster after 2015-16** in terms of reduction in share of MPI poor out of total population compared to the decade before, owing to a **lesser number of years.**
 - In 2005-06, the share of MPI poor in India's total population was 55.34%.

▪ SDG Target Achievement:

- India is likely to achieve **Sustainable Development Goals (SDG) Target 1.2**, which aims to **reduce "at least by half the proportion of men, women, and children of all ages living in poverty in all its dimensions according to national definitions"** well before 2030.
- Indicators related to the standard of **living dimension showed significant improvements**, such as reduced deprivation in cooking fuel, sanitation facilities, and access to bank accounts.

▪ Drivers Helped in Declining MPI:

- Initiatives like [Poshan Abhiyan](#) and [Anemia Mukh Bharat](#) have significantly enhanced access to healthcare facilities, leading to a substantial decrease in deprivation.
- Operating one of the world's largest [Food Security](#) programs, the [Targeted Public Distribution System](#) under the [National Food Security Act](#) covers 81.35 crore beneficiaries, providing food grains to rural and urban populations.
- Recent decisions, such as extending free food grain distribution under [Pradhan Mantri Garib Kalyan Anna Yojana](#) for another five years, exemplify Government's commitment.
- Various programs addressing maternal health, clean cooking fuel distribution through [Ujjwala Yojana](#), improved electricity coverage via Saubhagya, and transformative campaigns like [Swachh Bharat Mission](#) and [Jal Jeevan Mission](#) have collectively elevated living conditions and overall well-being of people.
- Additionally, flagship programs like [Pradhan Mantri Jan Dhan Yojana](#) and [PM Awas Yojana](#) have played pivotal roles in financial inclusion and providing safe housing for the underprivileged.

What is NITI Aayog?

▪ About:

- The **Planning Commission** was replaced by a new institution – NITI Aayog on **1st January, 2015 with emphasis on 'Bottom -Up' approach** to envisage the vision of Maximum Governance, Minimum Government, echoing the spirit of **'Cooperative Federalism'**.
- It has two Hubs,
 - Team India Hub acts as an interface between States and Centre.
 - Knowledge and Innovation Hub builds the think-tank acumen of NITI Aayog.

▪ **Initiatives:**

- [SDG India Index](#)
- [Composite Water Management Index](#)
- [Atal Innovation Mission](#)
- [SATH Project.](#)
- [Aspirational District Programme](#)
- [School Education Quality Index](#)
- [District Hospital Index](#)
- [Health Index](#)
- [Agriculture Marketing And Farmer Friendly reform Index](#)
- [India Innovation Index](#)
- [Women Transforming India Awards](#)
- [Good Governance Index](#)

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Prelims

Q. Atal Innovation Mission is set up under the (2019)

- (a) Department of Science and Technology
- (b) Ministry of Labour and Employment
- (c) NITI Aayog
- (d) Ministry of Skill Development and Entrepreneurship

Ans: (c)

Q. The Government of India has established NITI Aayog to replace the (2015)

- (a) Human Rights Commission
- (b) Finance Commission
- (c) Law Commission
- (d) Planning Commission

Ans: (d)

Mains

Q. How are the principles followed by the NITI Aayog different from those followed by erstwhile Planning Commission in India? (2018)