

# The prospects for ending extreme poverty by 2030

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What you need to know

Development Initiatives  
exists to end absolute  
poverty by 2030



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## Extreme poverty can and must be ended by 2030

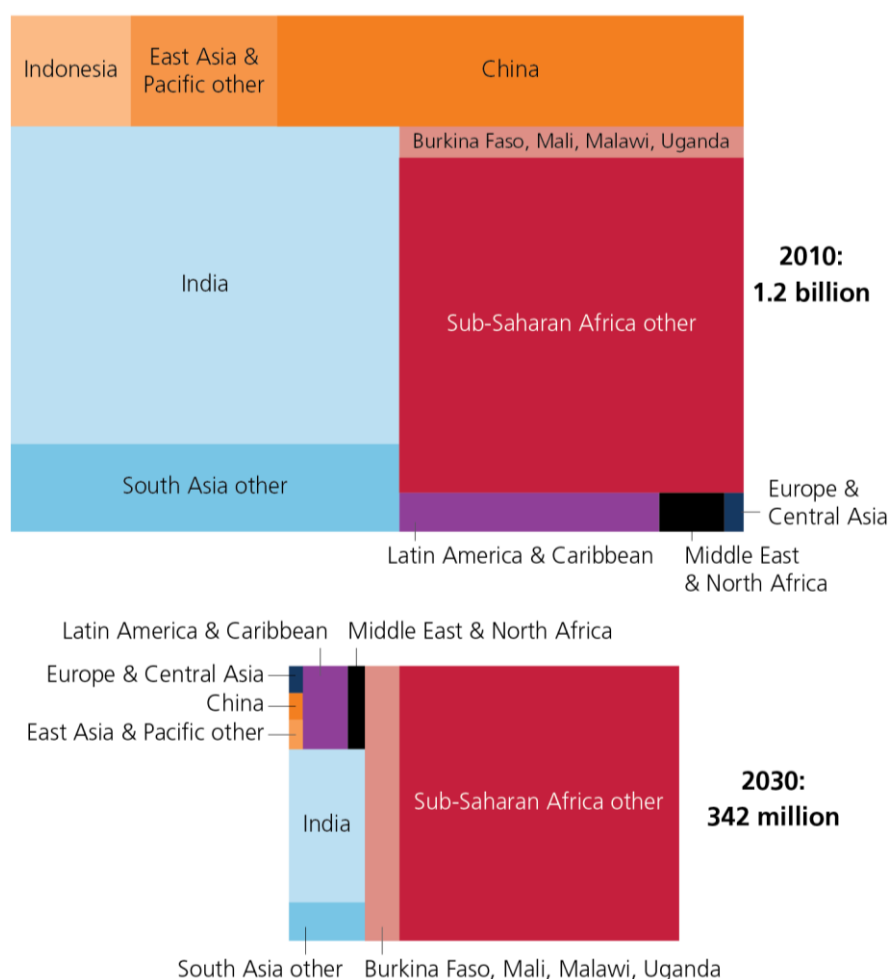
More than 1.2 billion people in developing countries live in extreme poverty. The UN's High-Level Panel on the post-2015 Development Agenda has called for an end to extreme poverty by 2030. To achieve this, every person in the world must live above the threshold income of \$1.25 a day. This is the minimum income for ensuring basic human decency and is the first step towards ending wider forms of poverty.

## Extreme poverty could be as low as 100 million by 2030

The High-Level Panel is part of a growing consensus that agrees the number of poor people could reach zero by 2030. Although global poverty levels are set to fall by 2030, research by the [Brookings Institution](#) shows that economic growth alone will not reach the poorest people. Unless growth rates are implausibly high and the benefits of growth are shared equally with poor people, extreme poverty will not end by 2030. Brookings suggest that the number of people living in extreme poverty by 2030 could fall to anywhere between 100 million and 1 billion people.

Extreme poverty levels are likely to fall by 2030 but the regional distribution will change radically

Source: Development Initiatives calculations based on Chandy, Ledlie and Penciakova (see [methodology](#)).



## **Africa will be home to the greatest number of poor people by 2030**

India is currently home to a third of the world's poor people, but is set to 'pass the baton' for ending extreme poverty to sub-Saharan Africa by 2030. In the worst-case scenario, there will be over a billion people in extreme poverty in 2030, almost half (49%) of whom would be in Sub-Saharan Africa. While only around 100 million people would remain in extreme poverty in the best-case scenario, almost all would be in sub-Saharan Africa. In contrast, extreme poverty is set to be virtually eliminated in China, India, and Indonesia.

In sub-Saharan Africa there is significant divergence in the depth of poverty from region to region. Average incomes of people in extreme poverty range from as low as \$0.53 a day in Democratic Republic of the Congo to \$1.10 a day in Cameroon.

## **Poverty is about more than income**

National income and consumption levels are the most common measures used for assessing poverty. These do not provide an accurate picture because:

- The threshold of an income of \$1.25 a day is a bare minimum and should be treated as a springboard for ending chronic poverty and wider deprivations, such as access to water, basic health, education, housing and security.
- Pockets of poverty exist in countries with the fastest growth levels. For example, despite India's status as a middle income country, 11 of its states would rank among the 20 poorest countries.

## **Laying the foundations for ending extreme poverty by 2030**

**The UN should commit to ending extreme poverty for the post 2015 agenda.** This will drive financial resources towards the greatest need.

**Above \$2 a day should be the next target.** A goal of ensuring that every person lives above a threshold income of \$2 a day should become a target by 2030. This higher income has been proposed by the High-Level Panel as a sub-target based on national poverty lines.

**We must get the best value from aid targeted interventions.** These should address the vulnerabilities of poor people, seek to build their resilience against shocks that could set them back; and target pockets of poverty, including in countries categorised as middle income countries.

**All resources should be harnessed.** To end poverty as quickly as possible, all resources that have potential should be harnessed, including public and private flows.

**We should have better and more information on poverty.** To effectively target resources at poor people, we need to know where they live. There is a critical need for information on the distribution and depth of poverty within countries, down to the village level. Gathering and geo-coding poverty data with details of development finance allows for better targeting of resources.

**Wider poverty should be measured and addressed.** Multi-dimensional aspects of poverty should be measured and addressed alongside income and economic growth, targeting basic services and capturing wider deprivations such as health and education. Poor people should be at the centre of decision-making on how resources are allocated.

**Ending poverty must be a shared global responsibility.** If achievements in meeting targets are to be sustainable and continue post-2030, developing countries must commit to lifting citizens above their own poverty lines. These efforts must also be backstopped by international aid committed to providing a basic minimum where domestic governments cannot.

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