**Overview**

1. $1.25 per day.

2. Indian data is broken down into 35 states and union territories (UTs). Figures combine rural and urban estimates of poverty for each state/UT and province. The monetary value of poverty lines varies across states/UTs and provinces. Designed to illustrate the general point about sub-national disparities, rather than give a precise analysis of the specific contexts in India.


4. Depth of poverty is a measure of the average gap in incomes for people living below the poverty line spread across the population of each country, and is used here as a proxy for the scale of the challenge each country faces in ending poverty. It is expressed as a percentage of the $1.25 a day poverty line.

5. Note that resource rich countries are excluded from these statistics.

6. Excluding South Africa, health spending for the rest of sub-Saharan Africa is 8.3% of total spending (still the second highest among all regions) or US$17 per person.

7. This includes spending funded by international grants as it is not possible to distinguish between grant-funded and domestically-funded spending for all developing countries (though Chapter 3 includes an analysis on a selection of countries where data is available).


9. Commercial resources include foreign direct investment, portfolio equity, long-term debt from commercial sources and short-term debt. Private resources include remittances. Resource flows such as private development assistance, for which no destination country data is available, are excluded from the figure and analysis.

10. Aid including both ODA from DAC donors and development cooperation from other providers, which can both play crucial and complementary roles in supporting poverty reduction.

11. The upper quartile of countries most vulnerable to climate change.

**Chapter 1**


2. In 2002 an estimated 401 million people (57% of the population) lived in extreme poverty in sub-Saharan Africa; in 2015 it is estimated that this rose slightly to 403 million people, or 41% of the population (though given the margin of error for 2015 projections it is difficult to say the numbers have risen with certainty). Source: PovcalNet.

3. China, India, Pakistan, Viet Nam and Indonesia.

4. Transforming our world: the 2030 Agenda for Sustainable Development.


6. 70 countries reduced the number of people living in extreme poverty by 20% or more between 2002 and 2011, from a sample of 113 developing countries with sufficient data. Data is not available for a further 33 developing countries.

7. Angola, Chad, Republic of Congo and Tanzania have depth of poverty rates over 10%.

8. All 18 countries where the absolute number of people living in poverty has risen most rapidly over 2002–2011 are in sub-Saharan Africa. Country-level data only available to 2011 but regional projections for sub-Saharan Africa suggest that the region as a whole may have started to reverse this rising trend since 2011. Over the four years 2011–2015 an estimated 3 million people are thought to have moved out of extreme poverty in the region. This is, however, based on projections that are yet to be confirmed by observed data. It is also not possible to disaggregate these regional projections by
country to see if certain countries in particular are driving projected poverty reduction.

9 A simple calculation is used for the 2015–2030 period to make the broad point about the required change in trends in each region. The calculation is: the current number of people living in poverty, divided by 15 (for the 15 year period), then multiplied by the projected average annual population growth rate over the period 2015–2030 (population projections are sourced from the World Bank).

10 Kharas H, Rogerson A. Horizon 2025: Creative destruction in the aid industry, Overseas Development Institute, 2012.

11 Fragile States Index 2015, Fund for Peace, http://fsi.fundforpeace.org/. 64 countries with a score of 80 or greater are considered fragile.

12 INFORM, 2015 mid-year update. Environmental vulnerability is defined according to the natural hazard indicator in the INFORM index; countries considered ‘very high’ or ‘high’ risk under this indicator are classified here as environmentally vulnerable. Eight environmentally vulnerable countries are based on the Inform Index for Risk Management. Nine countries without both a fragility and vulnerability score are excluded.

13 Goa (19% annual poverty reduction over 2004/05–2011/12), Sikkim (16%), Andhra Pradesh (14%), Himachal (13%), Uttarakhand (13%), Tripura (13%), Andaman & Nicobar Islands (12%), Tamil Nadu (11%) and Punjab (11%).

14 Based on numbers of people living in poverty at the start of the period (in 2004/05), Uttar Pradesh had the largest number of people in poverty (and reduced the number at an average 2.8% per year over 2004/05–2011/12), Bihar (2nd largest, 4.5% annual reduction in number of people living in poverty) and Madhya Pradesh (4th, 4.2% annual reduction). In Maharashtra, the 3rd largest by number of people living in poverty in 2004/05, numbers fell by an average 9.3% per year.

15 Nagaland (average 12% annual increase over 2004/05–2011/12), Chandigarh (11%), Mizoram (6%), Daman and Diu (4%), Arunachal Pradesh (4%), Manipur (2%), Dadra & Nagar Haveli (1%) and Assam (1%).

16 The provinces that achieved the fastest rates of poverty reduction, reducing the number of people living in poverty by more than 5% a year, were Jawa Timur (5.6%), Kalimantan Barat (5.2%), Lampung (5.2%) and Kalimantan Tengah (5.1%). The number of people living in poverty increased in Papua.

17 Various projections show that current patterns of growth will not alone end extreme poverty by 2030. The Brookings Institution for example estimates 342 million people will remain in extreme poverty in 2030 if there is a continuation of current growth and inequality trends; with optimistic and pessimistic scenarios applied, the number could range between 108 million and 1.04 billion. Chandy L, Ledlie N, Penciakova V. Africa’s Challenge to End Extreme Poverty by 2030: Too Slow or Too Far Behind?, 2013. http://www.brookings.edu/blogs/up-front/posts/2013/05/29-africa-challenge-end-extreme-poverty-2030-chandy.


19 See Development Initiatives, Investments to End Poverty 2013, Chapter 3.


21 Dykstra S, Dykstra B, Sandefur J. We just ran 23 million queries of the World Bank’s website, Center for Global Development, 2014.
4 Comprehensive comparable data on domestic commercial investment across developing countries is unavailable. These estimates are based on gross fixed capital formation, which can be taken as a proxy for total investment in each developing country. The calculation applied is: gross fixed capital formation minus FDI (to estimate total domestic investment) minus government capital investment (to separate public and private sources of domestic investment). This approach is preferred to using estimates of gross fixed capital formation for the private sector as country coverage for that data is poor.

5 International official flows include ODA, OOFs, development cooperation from other providers, other activities by development finance institutions, other lending by official actors and peacekeeping operations, as well as corresponding outflows. International commercial flows include FDI, portfolio equity and lending by commercial actors as well as corresponding outflows. International private flows include remittances and private development assistance as well as outflows of remittances from developing countries. Illicit finance includes estimates for trade mispricing and capital flight.

6 This is disbursements of long-term debt (with a term length exceeding one year) to actors categorised as ‘private non-guaranteed’ within each country.

7 The Development Assistance Committee (DAC) is an international forum at the OECD with a mandate to promote development cooperation that contributes to sustainable development. As of September 2015 there are 29 DAC members. http://www.oecd.org/dac/developmentassistancecommitteedac.htm.

8 The depth of poverty measures the average gap in incomes for people living below the poverty line, spread across the population. It is expressed as a proportion of the $1.25 a day poverty line. Countries with depth of poverty above 10% are among those facing the greatest challenge in ending poverty by 2030. See also Chapter 1.

9 Data used in Figure 2.5 is based on 134 of the 146 developing countries included in the definition used by this report. 12 countries were excluded from the analysis because of a lack of sufficient data on wider resource flows beyond official finance.

10 Though international private resources cover private development assistance (PDA) as well as remittances, data on where PDA is used is insufficient to be included in analysis about the mix of international resources at the country level (see also Chapter 5).

11 For example, though FDI is often presented as a simple cross-border transfer in fact a high proportion of it in many countries is funded by companies that are already based in the destination country through reinvested earnings. This is not necessarily better or worse than new investments that involve a cross-border transfer, though the policy implications for a government wanting to partner with investors may be very different.

Chapter 3

1 The depth of poverty measures the average gap in incomes for people living below the poverty line, spread across the population. It is expressed as a proportion of the $1.25 a day poverty line. Countries with depth of poverty above 10% are among those facing the greatest challenge in ending poverty by 2030. See also Chapter 2.

2 The 20% figure was widely discussed in the financing for development debate and was included in the zero draft of the Addis Ababa Agenda for Action, though it did not feature in the final draft.

3 International support can be provided in a number of ways, such as through direct capacity building or through cooperation to prevent illicit flows.

4 This group includes: Nigeria (depth of poverty greater than 20%); Angola, Chad, Guinea, Republic of Congo and Senegal (depth of poverty 10%–19.99%); Cameroon, Mauritania, Timor-Leste, Gabon and Sudan (depth of poverty 5%–9.99%); Algeria, Kazakhstan, Viet Nam, and Yemen (depth of poverty less than 1%); Libya and South Sudan (no poverty data). Other countries may generate smaller amounts of revenue from natural resources without reporting it explicitly.

5 It is important to note that the relationship between direct/indirect taxes and progressivity is not linear. Indirect tax systems can more progressive – for example many countries offer exemptions on goods such as basic food items that are consumed by the poorest people.

Latest estimates from Libya, in 2012, were that natural resources accounted for 95% of total revenues, though the context has changed significantly since this data was published and more recent estimates are unavailable.

This is based on eight countries where the depth of poverty exceeds 20% and where data on the breakdown of revenue are published.


Domestic finance includes borrowing from domestic financial institutions (‘bank’) and ‘non-bank’ sources such as the issuance of domestic bonds.

For example see www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/6325.pdf on cumulative targets adding to over 100% of government spending. Also a large number of developing country governments have often viewed such targets as arbitrary.


Capital expenditure: the expenses of the government in order to maintain or to produce assets.


To give one example of effective use of targeted subsidies, fertiliser subsidies have been successfully used in Malawi to reduce food insecurity for the most vulnerable farmers. http://onlinelibrary.wiley.com/doi/10.1111/dpr.12026/epdf.

In Morocco, for example, reform of subsidies during 2013 and 2014 have been driven by budgetary pressures. The government focused on eliminating subsidies such as gasoline that were more pro-rich and delayed removing subsidies on liquefied petroleum gas (LPG) that would affect poorer people more directly and would have a significant impact on increasing poverty. http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2587515.

Based on the population of children in government primary schools.

For example, the Outcome Document of the Third International Conference on Financing for Development.

For example, written property records.

For example, ICTD’s report on property taxes and their progressiveness compared with other forms of locally raised revenue.

Chapter 4

The concept of ODA, and the rules that determine which forms of finance are eligible to be counted as ODA, were developed by the OECD DAC and apply to their 28 members. But a number of countries and multilateral bodies who are not DAC members use the definition of ODA when measuring the value of their own development assistance programmes.

Gross ODA includes all ODA disbursed in a given year; net ODA is equal to gross ODA minus capital repayments on outstanding ODA loans and minus the principal amount of any loans written off as debt relief that were included in a previous years ODA figures.


There are 250 donor agencies that report ODA to the OECD. This review covered 63 agencies that together accounted for 90% of ODA disbursements in 2012; 13 of these were excluded either because they were established for a specific purpose other than poverty eradication (such as the UN High Commission for Refugees) or because no information on their legal mandate or mission statement could be found.

This can be seen in Figure 4.5 at the national level, where many of the countries with the highest vulnerability to climate change are also those where the depth of poverty is greatest. See The Global Landscape of Climate Finance 2013, Climate Policy Initiative. Available here: http://climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2013.

Adaptation ODA compares in scale with only the lower bounds of the most conservative estimates of the scale.
of needs for adaptation finance, which range from US$4 billion to US$171 billion.


9 Further analysis of adaptation ODA is limited by poor reporting, especially on disbursements. While reporting on climate-related ODA has improved in recent years, 42% of bilateral projects reported by DAC donors were simply not screened against the adaptation Rio marker in 2013.

10 Disbursements to the sector marked as ‘other’ are typically cases where the donor has not specified a sector or has stated that the ODA is ‘multisector’.

11 The grant element is the standard way of measuring how concessional a loan is. It can be viewed as the difference between the cost, in today’s prices, of future repayments a borrower will have to make on the loan in question and the repayments the borrower would have had to make on a non-concessional loan. This is therefore the amount of money that is considered to have been ‘given away’ by the donor, hence grant element. The grant element is normally shown as a percentage of the value of the loan.


14 Core private sector ODA includes ODA that aims to develop the private sector; wider private sector ODA includes ODA that aims to strengthen the sector’s operating environment, for example by improving the business climate or developing infrastructure.

15 Sources include the DAC database and the OCHA FTS. Brazil data are from the IPEA/ABC, Brazilian International Development Cooperation (2010 and 2013) reports. China data are from Naohiro Kitano and Yukinori Harada, Estimating China’s Foreign Aid 2001–2013, JICA, June 2014; data for 2000 are from Information Office of the State Council (The People’s Republic of China), China’s Foreign Aid, July 2014 and Brautigam, Deborah, The Dragon’s Gift: The Real Story of China in Africa, Oxford University Press, 2009. India data is from the Union Budget, various years. Mexico data is from the AMEXCID online platform http://amexcid.gob.mx/images/ccid. Poverty data is from World Bank, PovCalNet. Contributions to international organisations do not compare to multilateral ODA and are calculated differently for each development cooperation provider, except data from DAC sources.


19 An estimated 94% of the flows to developing countries originate from public sources.

20 The sudden increase in mitigation-related commitments between 2009 and 2010 is partially due to commitments from Germany, France and Japan, each committing over US$1 billion more than in the previous year. Donors began to report adaptation-related ODA in 2010. It is also important to note that commitments data can appear erratic when presented annually, as donors may make many commitments in a single year that they intend to disburse over following years.

21 This is partially due to poorer and less transparent data on disbursements.

Chapter 5

1 The SDGs will be monitored using a set of global indicators that will be complemented by indicators at national and regional levels. The global indicator framework will be agreed by the UN Statistical Commission by March 2016.

2 Countries for which data is entirely missing are: Antigua and Barbuda, Cook Islands, Cuba, Dominica, Equatorial Guinea, Eritrea, Grenada, Kiribati, Democratic People’s Republic of Korea, Lebanon, Libya, Montserrat, Myanmar, Nauru, Niue,


4 Estimates of the coverage of births in civil registration systems are based on desk research conducted by Development Initiatives in August 2015. Figures reflect information that is available and accessible online. Further information on birth registration coverage may be held in national offices in hard copies, and would not have been incorporated in this analysis. Figures may not be fully accurate and are estimated to be ‘optimistic’. Figures are based on government sources for 17 countries. Data from other sources were used to estimate birth coverage in civil registration systems by Development Initiatives. Where no information could be found, it was assumed that a civil registration system is not in place. See full list of sources here (tinyurl.com/omhwewt).


7 CIVICUS Case study of the number, type and scale of citizen-generated data initiatives across the world: http://civicus.org/thedatashift/cgd-interactive/.

8 There is no widely recognised definition of ‘big data’. Here we use the 3 V’s definition: volume, velocity and variety.


15 Indonesia’s Unified Database (UDB): rationalising a fragmented system, www.opml.co.uk/sites/default/files/Poster%20Indonesia_FINAL.pdf.


20 The UN Office for the Coordination of Humanitarian Affairs (OCHA) Financial Tracking Service also captures formally reported humanitarian aid contribution from international sources, but does not capture the totality of funding to crises. The Financial Tracking Service was established to track humanitarian funding going to emergencies. While the Financial Tracking Service includes financing to all emergencies, the focus is on the major humanitarian crises captured in UN appeals.


22 IATI (2014), Paper 4a: Country survey- IATI data and Aid Information Management Systems (AIMS), meeting
of IATI Steering Committee Members and Observers, Copenhagen, www.aidtransparency.net/wp-content/uploads/2013/01/Paper-4a-Country-Survey-of-AIMS.pdf. Respondents were from 41 people in 24 countries, including 22 government officials, and aid effectiveness specialists and other consultants.


25 African Union Statistics Division, Strategy for the harmonisation of statistics in Africa, http://auc-statdivision.voila.net/pdfstat/SHaSA_strategy.pdf. The strategy was developed under the African Union to support the African integration agenda, and enhanced collaboration between national statistical offices. It was adopted by the Assembly of Heads of State and Government in July 2010 and launched during the meeting of Directors-General of National Statistical Offices in December 2010.


27 This analysis is focused on Canada, because data for other donors is lacking.


34 PARIS21 is an initiative that aims to promote the better use and production of statistics in developing countries. Established in 1999, PARIS21 developed a network of statisticians, policy makers, analysts and development practitioners to facilitate statistical capacity development and advocates for the integration of data in decision-making.


40 As of 27 August 2015, there are 347 agencies and governments publishing data in the IATI standard.