

“Participatory Poverty Assessment Tools” and the Poverty Assessment Project
March 4, 2004
9-12 am

This meeting, hosted jointly by the SEEP Network and the IRIS Center, brought together those institutions and individuals interested in the use of participatory tools, particularly Participatory Wealth Ranking (PWR) as practiced by the Small Enterprise Foundation in South Africa, in the Developing Poverty Assessment Tools project. The focus of the discussion centered on ways that the relative measurement of PWR can be anchored to the absolute measure of \$1/day PPP or living in the bottom 50% below the national poverty line as required by the legislation. IRIS is currently testing PWR in Bangladesh on a limited basis, and this discussion will help to focus this testing effort in the future. (For more project background, visit <http://www.povertytools.org>.)

Several methods were discussed as means to establish PWR as an absolute measure.

- *Anchoring PWR results to the absolute poverty line.*

If results from an individual PWR could be anchored to the absolute poverty lines, then it could be assumed that those ranked below the anchor are also living below the absolute poverty lines. There were several suggestions for ways that PWR results could be linked to \$1/day, including identifying households with wage earners or using predefined indicators. There was general consensus that certified poverty assessment tools would have to be used to interview households to define the line in terms of absolute poverty. Programs that use “cut lines” might start at this line to interview households and determine where the link to absolute poverty lines lies. Clients ranked below the anchored line could then be identified as “very poor” according to the legislated poverty lines. How this anchoring can be accomplished, and whether it can be done in a rigorous yet cost-effective way, will require further research and discussion.

- *Geographic targeting combined with PWR may be possible, but needs further discussion on what levels of precision are available and required.*

Geographic data is often unavailable at the provincial or village level; in cases where this is available, the accuracy can be suspect. In combining geographic targeting with PWR it may be that programs use available demographic data, and then would make further assumptions using other data regarding geographic inequalities. This may require certifying geographic targeting techniques as well as PWR, and may be difficult to operationalize. Concerns were expressed that geographic targeting not cut off poor people in wealthier villages.

- *Use of PWR to provide on-going information on all clients on an annual basis*

USAID pointed out that as the legislation currently reads, programs must report on the poverty status of all clients on an annual basis. There were questions on the ability of PWR to fulfill this requirement, as it is conducted only once at the beginning of an organization’s relationship with the village. There will need to be further discussion and clarification on how long PWR results can be used for reporting purposes, given the change in poverty status of households over time.

- *Quality of implementation*

There are distinctions between wealth rankings and Participatory Wealth Ranking; even among those conducting PWR, there are differences in implementation. [Note: PWR here refers to the methodology as developed by the Small Enterprise Foundation in South Africa and documented in the training manual “Cost-Effective Targeting: Two Tools to Identify the Very Poor” by David S. Gibbons and Anton Simanowitz, available from Pact Publications.] In consideration for certification these distinctions should be clarified and only the most rigorous methods considered.

- *Implementing poverty assessment tools in a separate process*

At some point all programs interact on an individual basis with potential clients. In fact, some programs only use PWR to establish eligibility and then approach each household individually. In these cases, organizations may choose to use PWR as a targeting tool and to also implement a certified poverty assessment tool at a separate point in the process, such as during a motivational meeting or an intake interview, rather than having to anchor the cut line to the poverty line.