Policy Brief

Poverty Data That Counts

How To Use Poverty Data To Achieve The SDGs In Ghana

This policy brief presents the results of the research project on the impact of poverty measurement in Ghana as part of Development Goals. It shows how poverty statistics strongly shape the way people think about development. The data demands of the SDGs have drawn attention to the production of the required poverty data, rather than the ways this data can be used for eradicating poverty. This policy brief addresses that issue by providing recommendations to make poverty data and its uses more inclusive in order to reduce poverty and reach the SDGs in Ghana.

Introduction

In 2019, Ghana participated in the Voluntary National Review for the first time. As part of this ambitious endeavor, Ghana presented its progress on the SDGs to the High-Level Political Forum on Sustainable Development. This required a lot of statistical data: with as much as 230 indicators, data is deemed crucial to achieve the SDGs. But how exactly does this poverty data contribute to reaching the goal of eradicating poverty in Ghana?

Key takeaways

- Poverty data shows that Ghana has experienced impressive poverty reduction, but progress has slowed down considerably.
- Existing poverty statistics do not correspond with people's notions about what it means to live a life free from poverty. Therefore, using additional (qualitative) data is important.
- At this moment, the use of poverty statistics for policymaking is limited.
- Investments in using data (rather than in data itself) are needed to implement the SDGs.
- Intensified cooperation between different stakeholders can help to produce data that better meets data demands on the district level.

Approach

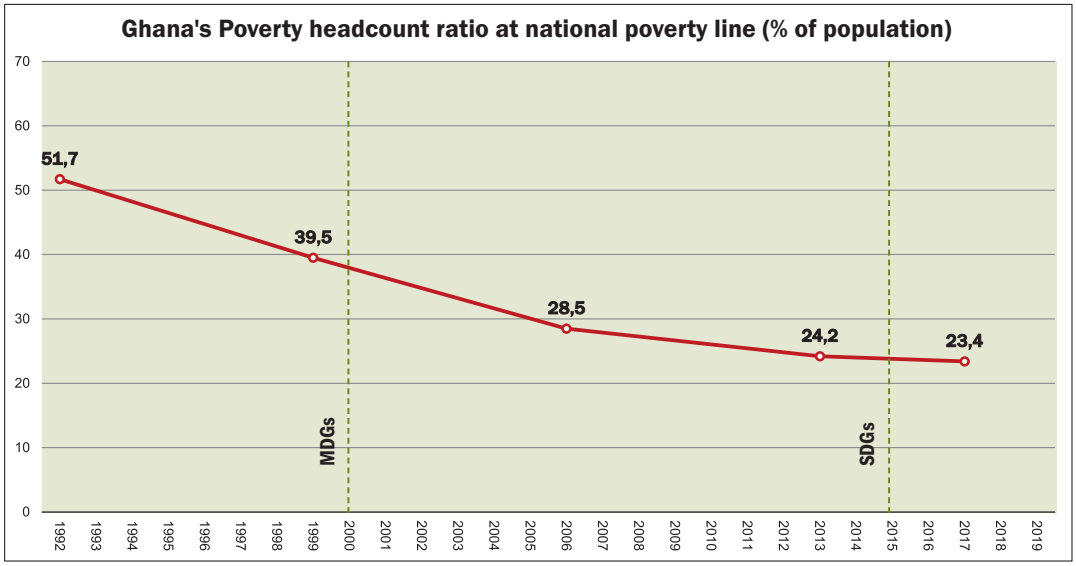
This research has examined how poverty measurement influences how poverty is understood and governed. Statistics influence how people think about poverty and can be used to inform policies. This way, poverty statistics ultimately affect poverty itself. For this reason, understanding the impact of poverty measurement in Ghana can help to reduce poverty successfully.
In order to learn more about this, key stakeholders have been interviewed in Accra and Ho between January until the end of march 2019. This way, the experiences of local and international Civil Society Organizations, statisticians, researchers and policymakers have been included in the project. The research also builds on the observation of relevant meetings and community visits. In addition, it includes the analysis of relevant poverty data and policy documents.

Results

Measuring For Understanding Poverty

The Ghana Living Standards Survey is the most important source for poverty data in Ghana. The data coming from this source shows that Ghana has experienced impressive poverty reduction: poverty was reduced from 51.7% in 1992 to 24.2% in 2013. It is widely known that this means that Ghana achieved the first Millennium Development Goal of halving poverty ahead of time. This illustrates the impact of measurement on how people think about poverty and progress.

However, poverty reduction progress has slowed down more recently. The poverty headcount ratio, which shows the percentage of people living under the poverty line, has been lowering far more slowly than before. In addition, this measure does not reveal that the amount of poor people in Ghana has been increasing by as much as 400.000 between 2012 and 2016, as reported by the Ghana Statistical Service.



Although a lot of stakeholders use the poverty headcount ratio to understand poverty, not everyone agrees the height of the poverty line and the assumptions this is based on. Living a dignified life free from poverty requires a bigger spending capacity than the poverty line currently represents. Although poverty statistics are often thought of as representative of an objective truth, its shortcomings should be reason to use additional data to understand the true face of poverty in Ghana.

(Not) Measuring For Policymaking

Although statistics show that poverty reduction is slowing down, such data is hardly used to make policies to address this. An important explanation for this is that poverty data is mostly reported at national and regional levels. However, a lot of relevant policymaking takes place at the district level. Because of this mismatch, most existing poverty data does not provide sufficient insight in who is being left behind. As a consequence, existing poverty data is not necessarily useful for policymaking. Therefore, its current contribution to reaching the SDGs in Ghana is limited.

Measuring for Accountability & Funding

Although poverty data is not necessarily used for policymaking, it has some other important governance uses. Different stakeholders use it to showcase accountability: the Government of Ghana uses it to show the results of their policies, whereas Civil Society Organizations use poverty data to show the results of their work. Using data increases their legitimacy: it affirms their authority in the field of poverty reduction.

Measuring progress and showcasing accountability has become increasingly important to attract sufficient funding for development programmes, especially since Ghana has become a (lower-)middle income country. This affects decisions on how and what to measure. Although Ghana has successfully aligned its development policy frameworks with the SDGs, the data demands of international donors might still differ from local data needs. With limited statistical capacity available, this requires conscious decisions about measurement priorities in order to serve Ghana's citizens in the best ways possible.

Policy Implications: the Data Road to 2030

Leaving no one behind is not just about including people in poverty monitors, but including them in the progress that is monitored. Based on the results of this research, the following recommendations focus on using data to realize this ambition.

Data matters, but using data matters more

Everyone agrees that measuring development as part of the SDGs is very important. But all this data is not a goal in itself. It is the use of this data that can help to reach the Sustainable Development Goals. This way, data can contribute to poverty reduction through evidence-based policymaking and targeting. The use of data should therefore receive more attention as part of statistical strategies and capacity building.

Build on the Voluntary National Review

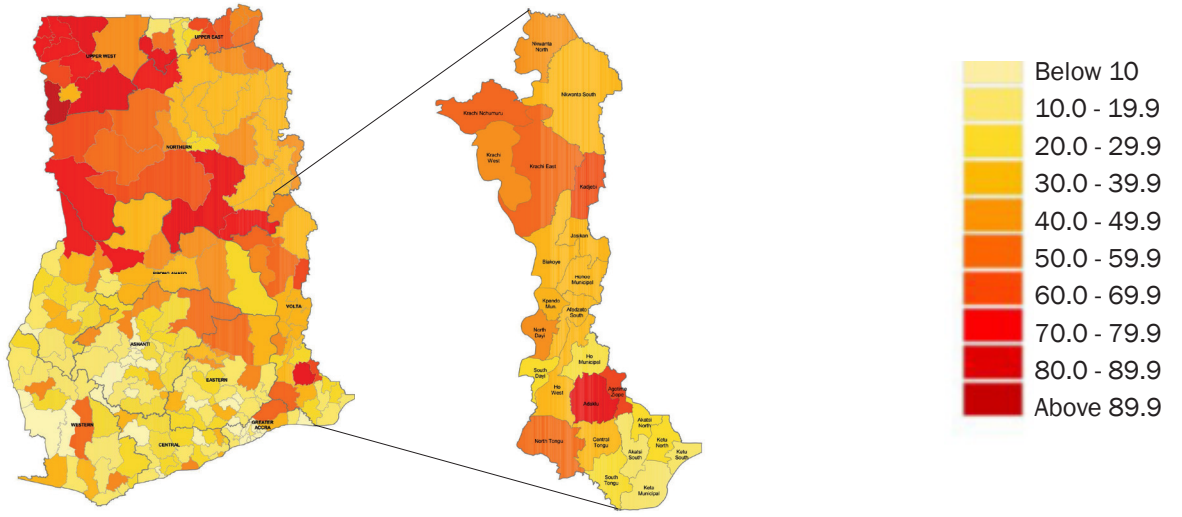
The VNR report is not just an end-product, but serves as a foundation for action to reach the SDGs. The outcomes of the VNR can be used to inform policies to spur progress on SDG targets. In addition, it is useful to continue the cooperation between different stakeholders that the VNR required. Increased collaboration between data producers and users can help to produce data that better meets local demands.

Empower those who provide different data

The Ghana Statistical Service and the various Ministries, Departments and Agencies produce a lot of poverty data. In addition, Civil Society Organizations also collect plenty of data through their work. Part of this data is more qualitative and takes into account the experiences of people living in poverty on the local level.

Best Practice: Measuring Inequality in Poverty Levels in Ghana

This image from the Ghana Statistical Service shows poverty levels on the district level in Ghana and the Volta region more specifically. It illustrates that inequalities are high, both within and between regions. More of this kind of information about local poverty levels is needed for targeted policymaking in order to leave no one behind.



Make data more useful

Using data requires useful data. This means that the data provided should respond to the demands of policymakers and the public. This requires increased data availability on the district level, where relevant policies are made and implemented. In order to leave no one behind, it is important to identify what groups are currently not included in Ghana's poverty reduction. This requires increased data-disaggregation on additional dimensions, such as (dis)ability. Such data is helpful for targeted poverty reduction interventions.

Even though the SDG indicator framework focuses on quantitative data, this kind of qualitative data is equally important for understanding poverty. For this reason, it is important to value qualitative data and empower its producers. Ultimately, sharing insights and learning from different types of data will increase understanding about poverty and how to eradicate it.

Together, these steps can further strengthen the capacity of Ghana to use data in order to reduce poverty and reach the Sustainable Development Goals.

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